

EXHIBIT C

AN APPRAISAL OF

Mack Washington Road Land,
located at 23000 Block of Mack Washington Road,
Hempstead, Waller County, TX 77445
File #: 230310011



PREPARED FOR:

Shook, Hardy, & Bacon, L.L.P.
600 Travis Street, Suite 3400
Houston, TX 77002

Date of Value "As Is": April 12, 2023

Date of Report: April 18, 2023

BY

MB LANE & ASSOCIATES, INC.
8990 Hempstead Highway, Suite 102
Houston, Texas 77008
(File No. 23061)

MBLANE & ASSOCIATES

8990 Hempstead Highway, Suite 102 • Houston, TX 77008 • Office: 713.863.1414 • Website: mblane.com

April 18, 2023

Shook, Hardy, & Bacon, L.L.P.
600 Travis Street, Suite 3400
Houston, TX 77002

Reference: ***Mack Washington Road Land:*** A appraisal of vacant land totaling 25.1320 acres (1,094,750 square feet). The subject property is located along the south line of Mack Washington Road, north of FM 1488, in the 23000 Block of Mack Washington Road, Hempstead, Waller County, TX 77445. File #:230310011

To Whom It May Concern:

In compliance with your request, we visited the above-referenced property, and appraised it as of April 12, 2023, which is the date of our physical viewing of the subject property. The purpose of this report is to provide an opinion of the Market Value of the Fee Simple Estate of the above referenced property. This is an appraisal report as defined by USPAP.

The property rights appraised in this report is the Fee Simple Estate. The persons involved in preparing this appraisal report are Michael B. Lane, MAI and Gary Jones. We are providing a value opinion based upon a one year exposure period. Please review our “Contingent and Limiting Conditions”, as our value is subject to these provisions.

Market Value, as further defined in this report, is the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeable, and assuming the price is not affected by undue stimulus.

According to the client, the subject property has been seized by the federal government for fraudulent activity. The client requested that the entire site be viewed to determine if there were any structures or improvements on the subject property. Gary Jones met Mr. Kelsey Morris, who is a realtor and the property contact provided by the client, at the subject property on April 12, 2023 at 10:00am. Mr. Morris and Gary Jones physically drove the entire property, and the only improvements observed was a water well at the northeast corner of the subject tract. There was a wildlife watering station and a turkey feeder as well, but these are considered to be personal property. The subject is essentially unimproved vacant land.

We have prepared an appraisal report and have utilized the sales comparison approach to value the subject site “As Is”. Prior to accepting this assignment, the appraisers concluded that they have the necessary experience and/or knowledge to competently complete the appraisal, and during the preparation of the appraisal, the appraisers have not discovered any areas in the assignment requiring appraisal expertise in which we were lacking.

Shook, Hardy, & Bacon, L.L.P.

April 18, 2023

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The above statements of appraiser competency applies to knowledge and/or experience for the real estate appraisal discipline and not other areas of trades, professions or disciplines such as engineering, surveying, law, etc.

Our property inspection did not reveal, nor did we observe, or are we aware of any natural, cultural, recreational, environmental, or scientific value influences affecting the subject property. Additionally, we have not made a specific Americans with Disabilities Act (ADA) compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. The value estimate is predicated on the assumption that no such influences are present that would affect our value conclusions. We have no expertise in these fields and no responsibility is assumed for any such conditions or for any expertise, engineering or other special knowledge required to discover them. Such studies are required before these values can be relied on by readers of this report.

To the best of our understanding this report conforms to the provisions of FIRREA, as well as the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation.

Based on the physical characteristics of the property, as well as the current market conditions, it is the appraiser's opinion that the market value of the subject property is based on a 12 month exposure period. Our opinion of the Market Value of the Fee Simple Estate of the subject property "As Is", as of the effective date of April 12, 2023 is as follows:

ONE MILLION EIGHTY THOUSAND DOLLARS
\$1,080,000

There are no hypothetical conditions or extraordinary assumption for this appraisal.

Your attention is now directed to the following report which contains the data and analysis used in our final value opinion. If after reviewing this report, you have any questions, please do not hesitate to contact this office.

Yours truly,



Michael B. Lane, MAI
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Telephone: 713-863-1414, ext. 1
email: michael@mblane.com



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CERTIFICATION

We certify that, to the best of our knowledge and belief:

- (1) The statements of facts contained in this report are true and correct.
- (2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- (3) We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- (4) We have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- (5) Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- (6) Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- (7) Our analyses, opinions, or conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Code of the Professional Ethics of the Appraisal Institute.
- (8) This report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- (9) Gary Jones has made a personal site visit to the property that is the subject of this report. Michael B. Lane, MAI, has not visited the subject property.
- (10) No one provided significant real property appraisal assistance to the persons signing this report.
- (11) As of the date of this report, Michael B. Lane, MAI, has completed the requirements of the continuing education program of the Appraisal Institute.
- (12) As of the date of this report, Michael B. Lane, MAI is a Texas State Certified General Real Estate Appraiser, and Gary Jones is an Appraiser Trainee authorized by the State of Texas and has assisted Mr. Lane on properties similar to the subject property.

CERTIFICATION (CONTINUED)

- (13) This appraisal assignment was **NOT** based on a requested minimum value, a specified valuation, or the approval of a loan.
- (14) Michael B. Lane and Gary Jones have not performed any valuation services, as an appraiser or in any other capacity, for the same client nor other clients, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- (15) The “As Is” market value of the Fee Simple Estate of the subject property, as of April 12, 2023, is as follows:

\$1,080,000

There are no hypothetical conditions or extraordinary assumption for this appraisal.



Michael B. Lane, MAI
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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Identification	Mack Washington Road Land.
Client:	Shook, Hardy, & Bacon, L.L.P.
File Number:	230310011
Location	The subject property is located along the south line of Mack Washington Road, north of FM 1488. The subject property is located in the 23000 Block of Mack Washington Road, Hempstead, Waller County, TX 77445.
Purpose of the Appraisal	The purpose of this appraisal is to provide an opinion of the "As Is" market value of the herein legally described property.
Property Right Appraised	Fee Simple Estate.
Land Size	25.1320 acres (±1,094,750 square feet).
Improvements	According to the client, the subject property has been seized by the federal government for fraudulent activity. The client requested that the entire site be viewed to determine if there were any structures or improvements on the subject property. Gary Jones met Mr. Kelsey Morris, who is a realtor and the property contact provided by the client, at the subject property on April 12, 2023 at 10:00am. Mr. Morris and Gary Jones physically drove the entire property, and the only improvements observed was a water well at the northeast corner of the subject tract. There was a wildlife watering station and a turkey feeder as well, but these are considered to be personal property. The subject is essentially unimproved vacant land.
Highest and Best Use As Vacant:	Agricultural/Residentia use.
Zoning	AR - Agricultural/Residential District.
Utilities:	There was a private water well observed at the time of the site visit. It is unknown if there is a septic system.
Flood Plain	According to the FEMA Flood Insurance Map 48437C0135F, published for Waller County and dated May 16, 2019, the subject property appears to be located Flood Zone X, which

SUMMARY OF SALIENT FACTS AND CONCLUSIONS - CONTINUED

is an area determined to be outside the 0.2% annual chance flood (outside the 500-year flood plain). This determination is made by graphic plotting only, and is not guaranteed. We recommend that a surveyor determine precise flood plain status for the subject site. A copy of a portion of the flood map is included in the addenda section of this report.

OPINIONS OF VALUE:

Land Value: **\$1,080,000**

Market Value "As Is": **\$1,080,000**

Exposure Period: 12 Months
Marketing Period: 12 Months
Effective Date: April 12, 2023
Date of Report: April 18, 2023

There are no hypothetical conditions or extraordinary assumption for this appraisal.

CONTINGENT AND LIMITING CONDITIONS

This appraisal is subject to the following limiting conditions.

The legal description furnished to us is assumed to be correct. We assume no responsibility for matters legal in character, nor do we render any opinion as to the title, which is assumed to be good. Any existing liens and encumbrances have been disregarded and the property appraised as though free and clear under responsible ownership and competent management, unless otherwise indicated.

We have made no survey and assume no responsibility in connection with such matters. We believe the information in this report furnished by others to be reliable, but we assume no responsibility for its accuracy. This includes, but is not limited to, information obtained in regard to flood plains, wetlands, geological fault lines, sufficiency of public utilities, and land or surface subsidence. The construction and condition of the improvements mentioned in the body of this report is based on observation and no engineering study has been made, unless previously noted, which would discover latent defects. No certification as to construction or any of the physical aspects could be given unless a proper engineering study were made.

No fault line, flood plain, or subsidence study has been made by the appraisal firm and could be under taken only by a qualified engineering firm.

The distribution of the total valuation between land and improvements in this report applies only under the existing program of utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal, and are invalid if so used.

We are not required to give testimony or attendance in court by reason of this appraisal with reference to the property in question, unless arrangements have been made previously.

Possession of this report or a copy thereof does not carry with it the right of publication. It may not be used for any purpose by anyone other than the addressee without the previous written consent of the appraiser.

Neither all, nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, without the consent and approval of the author, particularly as to valuation conclusions, and identity of the appraiser or firm with which he/she is connected, or any reference to the Appraisal Institute, or the MAI designation.

This report is written in conformity with the professional standards of practice and code of ethics of the Appraisal Institute, the Uniform Standards of Professional Appraisal Practice and the rules of the Texas Real Estate Commission.

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous

CONTINGENT AND LIMITING CONDITIONS - CONTINUED

substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

The appraiser represents that he/she is not an expert to appraise insulation or other products banned by the Consumer Products Safety Commission which might render the property more or less valuable. In connection with this appraisal, the appraiser has not inspected or tested for, nor taken into consideration in any respect the presence or absence of insulation or other said products increase or decrease in the value of the property from the value placed thereon by the opinion of the appraiser.

The Americans with Disabilities Act (ADA) became effective January 26, 1992. I (we) have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative impact upon the value of the property. Since I (we) have no direct evidence relating to this issue, I (we) did not consider possible noncompliance with the requirements of ADA in estimating the value of the property.

It is understood that this assignment and the payment of our fee is not dependent or contingent upon any loan commitment, sale, trial outcome, receipts of funds by you, or any other condition or contingency.

The liability of MB Lane and Associates, Inc., its owner and staff, is limited to the Client only and to the amount of the fee actually paid for the services rendered, as liquidated damages, if any related dispute arises. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than Client, the Client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The Appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially, and/or legally. Client also agrees that in case of lawsuit (brought by lender, partner or part owner in any form of ownership, tenant or any party), Client will hold Appraiser(s) completely harmless from and against any liability, loss, cost or expense incurred or suffered by Appraiser(s) in any such action, regardless of its outcome.

“These reports may be relied upon by the CLIENT, in determining whether to make a loan evidenced by a note (“the Property Note”) which is further secured by the Property. These reports may be relied upon by the purchaser or assignee of the Property Note in determining whether to acquire the Property Note or Interest therein. In addition, these reports may be relied upon by any rating agency involved in rating the securities secured by, or representing an Interest in, the Property Note. These reports may be used in connection with materials offering for sale the Property Note, or an interest in the Property Note, and in presentations to any rating agency. With respect to the foregoing, these reports speak only as of the Origination date of these reports unless specifically updated through a supplemental report.”

INTRODUCTION

SCOPE OF WORK

Extent To Which The Property Was Identified We were not provided with a survey of the subject site. In lieu of this, we relied upon the Waller County Appraisal District records for the identification of the subject site. We have assumed this information to be accurate and reliable.

Extent To Which Tangible Property Was Visited In preparing this appraisal, we visited the subject property and viewed the site as vacant land. According to the client, the subject property has been seized by the federal government for fraudulent activity. The client requested that the entire site be viewed to determine if there were any structures or improvements on the subject property. Gary Jones met the property contact, Mr. Kelsey Morris, at the subject property on April 12, 2023 at 10:00am. Mr. Morris and Gary Jones physically drove the entire property, and the only improvements observed was a water well at the northeast corner of the subject tract. There was a wildlife watering station and a turkey feeder as well, but these are considered to be personal property. The subject is unimproved vacant land

We drove the immediate and general market areas. We visited the subject property in order to develop impressions of physical characteristics based on visual observations of apparent, not unapparent conditions. We are not engineers and are not qualified to the presence of wetlands and the like.

We are not qualified to detect or identify hazardous substances, which may, or may not, be present on, in, or near the subject property. The presence of hazardous materials may negatively affect market value. We have no reason to suspect the presence of hazardous substances, and we valued the subject **assuming that none are present**. No responsibility is assumed for any such conditions or for any expertise or engineering services of specialists for the purpose of conducting inspections, engineering studies, or environmental audits. While we refer to FEMA flood maps, we are not surveyors and not qualified to make flood plain determinations, and we recommend that a qualified party be consulted before any investment decision is made.

The Type And Extent Of Data Researched We conducted a search for sales of similar land tracts in the immediate area. Our data sources were our own internal files, the LoopNet and Costar data services. Our search for data concentrated on the subject's immediate market area, but because of the lack of sales, was expanded to include the entire Greater Houston Metropolitan market area. Our search for data extended back three years. We supplemented these sources with information from knowledgeable brokers, particularly those with listings in the immediate area.

Texas is a non-disclosure state. It is important that the intended users of this appraisal understand that in Texas, there is no legal requirement for grantors or grantees to disclose any information relative to a transfer of real property, other than the recording of the deed itself. In Texas, the deed contains no information about the transaction, including the purchase price. As a result, no data source provides absolute coverage of all transactions. It is possible that there are sales of which we are unaware. Our data sources provide all the data typically available to appraisers in the normal course of business.

SCOPE OF WORK - CONTINUED

The Type And Extent Of Analysis Applied The value set forth herein this appraisal report was determined after application and analysis by the Sales Comparison Approach - Land. Given the subject is vacant land, we feel this approach is the only approach applicable to this assignment.

Significant Real Property Appraisal Assistance Provided No one provided significant real property appraisal assistance to the persons signing this report.

General This Appraisal Report has been prepared under Standards Rule 2-2(a) of an appraisal performed under Standards Rule 1 of the Uniform Standards of Professional Appraisal Practice (USPAP). The level of reporting in this appraisal report is considered to be between the minimum level and the maximum level. It has been our intention to prepare this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and the Code of Ethics and the Standards of Professional Practice of the Appraisal Institute. Engineering studies, ADA determinations, surveys, title reports, flood plain determinations, and environmental audits are *beyond* the scope of work of this appraisal.

Purpose, Intended Use, and Users of the Appraisal The purpose of this appraisal is to provide an opinion as to the “As Is” Market Value of the herein legally described property. It is our understanding that the client intends to use this appraisal report for asset valuation purposes. The client also represents that the report will be used only representatives of Shook, Hardy, & Bacon, L.L.P. for the purposes set forth above.

Fee Simple Estate Fee simple estate is defined by the Appraisal Institute *The Dictionary of Real Estate Appraisal*, 7th Edition, copyright 2022, page 73, as being:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.”

Leased Fee Estate Leased Fee Estate is defined by the Appraisal Institute *The Dictionary of Real Estate Appraisal*, 7th Edition, copyright 2022, page 105, as being:

“An ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.”

Property Rights Appraised The property rights being appraised in this report consist of the Fee Simple Estate of the subject property.

Date of the Appraisal Report The preparation of this appraisal report was completed on April 18, 2023.

Effective Date of the Appraisal The descriptions, analyses, and conclusions of this report for the subject property are applicable as of the effective date of April 12, 2023.

SCOPE OF WORK - CONTINUED

Competency Statement. Prior to accepting this assignment, the appraisers concluded that they have the necessary experience and/or knowledge to competently complete the appraisal, and during the preparation of the appraisal, the appraisers have not discovered any areas in the assignment requiring appraisal expertise which they were lacking.

Type and Definition of Value The type of value necessary to produce a credible result in this assignment is market value, whereby the value is to be the most probable price in terms of cash. **Market Value** is defined by the Office of the Comptroller of the Currency (12 CFR Part 34) as follows:

“Market Value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeable, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. *Buyer and seller are typically motivated;*
2. *Both parties are well informed or well advised, and acting in what they consider their own best interests;*
3. *A reasonable time is allowed for exposure in the open market;*
4. *Payment is made in terms of cash in U.S. Dollars or in terms of financial arrangements comparable thereto; and*
5. *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”*

Market Rent Market Rent is defined by the Appraisal Institute *The Dictionary of Real Estate Appraisal*, 7th Edition, copyright 2022, pages 116 and 117, as:

“The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

- *Lessee and lessor are typically motivated;*
- *Both parties are well informed or well advised, and acting in what they consider their best interests;*
- *Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and*
- *The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (Tis).”*

SCOPE OF WORK - CONTINUED

Estimate of Exposure Time Exposure time may be defined as "the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." Our value opinion is based upon a one year exposure period which is supported by the improved sale items included herein as well as discussions with a number of professionals involved in marketing and selling similar properties.

FACTUAL DESCRIPTIONS OF THE PROPERTY

IDENTIFICATION OF THE PROPERTY

The subject property is located along the south line of Mack Washington Road, north of FM 1488. The subject property is located in the 23000 Block of Mack Washington Road, Hempstead, Waller County, TX 77445. Please see the Waller County Tax Record in the addenda for the legal description of the subject property.

PROPERTY HISTORY

According to the client, the subject property has been seized by the federal government for fraudulent activity. The client requested that the entire site be viewed to determine if there were any structures or improvements on the subject property. Gary Jones met Mr. Kelsey Morris, who is a realtor and the property contact provided by the client, at the subject property on April 12, 2023 at 10:00am. Mr. Morris and Gary Jones physically drove the entire property, and the only improvements observed was a water well at the northeast corner of the subject tract. There was a wildlife watering station and a turkey feeder as well, but these are considered to be personal property. The subject is essentially unimproved vacant land.

Based on the Waller Appraisal District records, the subject is currently held in the receivership of John Lewis, Jr., through a Final Summary Judgement dated September 29, 2022. Prior to the Final Summary Judgement, the subject was held in the ownership of CBT Group, LLC, who purchased the subject from Odis Styers on March 29, 2022 for a reported purchase price of \$2,000,000, or \$79,580 per acre, according to the property contact Mr. Kelsey Morris. Mr. Morris stated this was an off-market transaction. Based on our value "As Is" of the subject tract, this purchase price is well above market for unknown reasons and not considered to be reasonable. Odis Styers had held ownership in excess of the pervious three years. To the best of our knowledge, the subject has not been involved in any other transactions in the past three years.

STATEMENT OF OWNERSHIP

According to information provided to us, as of the date of this appraisal, the subject property is currently held in the receivership of John Lewis, Jr., through a Final Summary Judgement dated September 29, 2022.

AREA

Location. The subject property is located in Hempstead, approximately 40 miles northwest of the Central Business District of the City of Houston. On the following pages is the Moody's Analytics Houston-The Woodlands-Sugar Land November 2022 market report.

ECONOMIC DRIVERS



EMPLOYMENT GROWTH RANK

2021-2023
12
1st quintile

2021-2026
16
1st quintile

Best=1, Worst=410

RELATIVE COSTS

LIVING
105%

BUSINESS
97%

U.S.=100%

VITALITY

RELATIVE
0.35
Rank: 93

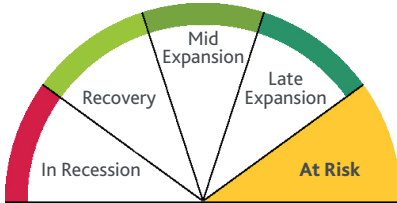
Best=1, Worst=403

QUALITY

OF LIFE
232

Best=1, Worst=378

BUSINESS CYCLE STATUS



ANALYSIS

Recent Performance. Houston-The Woodlands-Sugar Land's economy is advancing strongly, with job growth in the past year 2 percentage points higher than the national average. Employment surpassed its pre-pandemic peak in April ahead of the U.S., which reached this milestone in July. Most private sector industries are growing faster than their respective national counterparts; construction, in particular, has proceeded at a double-digit pace. The local PMI has been in expansion mode for two years as of September. The declining unemployment rate is a percentage point higher than precrisis because the labor force has grown faster than the national average in the past year. Housing market data have weakened.

Mining and manufacturing. The energy industry will continue to support the local economy, but downside risks have increased. The West Texas Intermediate crude oil price has been exceptionally volatile in 2022; it jumped from \$75 per barrel in January to \$120 per barrel in March at the start of Russia's invasion of Ukraine and rose again in June when financial markets thought the EU would forbid the insuring of Russian oil tankers. However, as global energy demand showed signs of weakening, the price fell back into the \$80 per barrel range in September. The high level of uncertainty has caused the recovery in active Texas drill rigs to pause since midsummer at a level just below that in January 2020. Still, the increased drilling activity compared with 2021 has supported HOU's manufacturing sector. Much of this production is equipment, fabricated metal parts, and other supplies needed for exploration. Thus, industry employment is up 7% year over year—nearly twice the national pace.

Residential construction. Homebuilding will weaken during the coming year, though longer-term prospects are more optimistic. House prices have stopped climbing after a year of strong

gains. Further, mortgage rates have risen to above 7%, more than 3 percentage points higher than a year ago. Moreover, the combination of previous price increases and reduced credit availability has caused affordability to fall by 37%, a bit more than the national decline. As a result, new permits for single-family homes have fallen sharply by more than 33% in just six months. In contrast, multifamily construction is still elevated. One driver is the reduction in single-family affordability, which has boosted rental demand; HOU's apartment vacancy rate is the lowest in five years. However, long term, single- and multifamily homebuilding will increase, lifted by above-average employment, population growth, and better affordability than in Dallas or Austin.

Professional services. The rebound in the energy industry will benefit a variety of business services. Professional services returned to the industry's precrisis level in June as demand for engineers and geologists increased. Additionally, the EU's need for natural gas has heightened demand for liquefied natural gas, driving gains in the distribution industry as HOU is a major terminal. Further, the banking requirements of the energy industry and the overall economy have lifted financial services employment. However, the latter industry is now at risk from the housing market decline.

Houston-The Woodlands-Sugar Land should outperform the nation over the coming year, led by manufacturing and business services, though weakening residential construction will be an offset. Longer term, the concentration of energy-related industries; robust population growth; and expansion in housing, transportation and distribution industries will help propel above-average gains for the metropolitan area.

Edward Friedman
November 2022

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help@economy@moodys.com

STRENGTHS & WEAKNESSES

STRENGTHS

- » Leadership in oil and gas technology supports technical and professional service jobs.
- » Significant trade and export links, owing to location on the Gulf coast of Texas.

WEAKNESSES

- » Unpredictable energy markets add to the economy's volatility.
- » Industrial diversity is lower than in other metro areas of comparable size.

FORECAST RISKS

SHORT TERM



LONG TERM



RISK EXPOSURE
2022-2027

27

1st quintile

Most=1
Least=403

UPSIDE

- » Better than anticipated in-migration boosts personal services.
- » Mining and manufacturing rise faster than expected because of elevated oil prices.

DOWNSIDE

- » Housing slows down more than expected due to rising mortgage rates.
- » Nonresidential building weakens more than expected due to the trend in remote working.

MOODY'S RATING

AaaCOUNTY
AS OF MAR 17, 2017

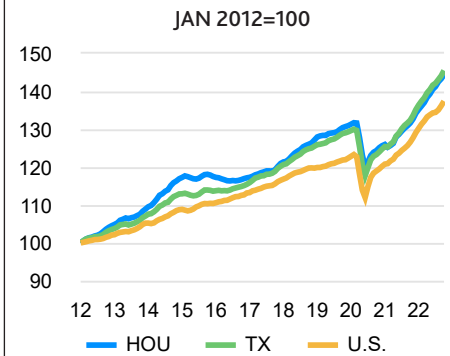
2016	2017	2018	2019	2020	2021	INDICATORS	2022	2023	2024	2025	2026	2027
478.0	479.8	490.8	511.3	506.9	498.0	Gross metro product (C12\$ bil)	504.0	521.6	537.9	556.7	578.6	600.3
-0.5	0.4	2.3	4.2	-0.8	-1.8	% change	1.2	3.5	3.1	3.5	3.9	3.8
2,992.6	3,020.4	3,087.9	3,160.4	2,999.8	3,066.1	Total employment (ths)	3,245.4	3,335.1	3,381.0	3,425.3	3,458.5	3,493.4
-0.0	0.9	2.2	2.3	-5.1	2.2	% change	5.8	2.8	1.4	1.3	1.0	1.0
5.3	5.1	4.4	3.8	8.7	6.4	Unemployment rate (%)	4.7	4.4	4.0	3.7	3.8	3.9
-4.4	7.7	6.8	4.1	2.3	7.0	Personal income growth (%)	6.9	10.3	6.8	5.9	6.2	5.9
62.3	63.6	66.1	68.0	68.5	70.9	Median household income (\$ ths)	73.3	77.7	80.8	83.6	86.8	89.9
6,806.5	6,900.1	6,976.1	7,066.1	7,154.9	7,235.9	Population (ths)	7,341.1	7,451.1	7,548.5	7,640.2	7,730.2	7,820.8
2.0	1.4	1.1	1.3	1.3	1.1	% change	1.5	1.5	1.3	1.2	1.2	1.2
71.6	33.4	23.0	37.9	42.3	39.0	Net migration (ths)	56.6	61.8	49.8	44.6	43.6	44.9
35,367	36,348	40,511	39,507	50,175	52,740	Single-family permits (#)	49,789	42,447	44,823	45,497	46,383	46,791
9,365	6,047	16,967	24,165	20,625	16,544	Multifamily permits (#)	31,888	32,217	25,519	21,542	17,892	14,856
245.6	255.7	267.3	277.7	289.7	317.8	FHFA house price (1995Q1=100)	359.4	342.6	323.5	315.9	319.8	327.8

ECONOMIC HEALTH CHECK

3-MO MA	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22
Employment, change, ths	15.3	21.4	22.1	20.5	16.6	13.4
Unemployment rate, %	4.8	4.7	4.6	4.6	4.5	4.4
Labor force participation rate, %	62.4	62.8	63.0	63.1	63.1	63.2
Average weekly hours, #	36.8	36.7	36.8	36.4	36.5	36.7
Industrial production, 2012=100	113.6	114.4	115.4	116.3	117.1	117.2
Residential permits, single-family, #	57,157	53,649	47,712	44,173	41,265	42,152
Residential permits, multifamily, #	22,401	28,695	34,710	40,552	36,336	37,183
Dec/Dec	Dec 16	Dec 17	Dec 18	Dec 19	Dec 20	Dec 21
Employment, change, ths	2.5	49.3	83.2	54.7	-183.6	151.8
<div> <div>Better than prior 3-mo MA</div> <div>Unchanged from prior 3-mo MA</div> <div>Worse than prior 3-mo MA</div> </div>						

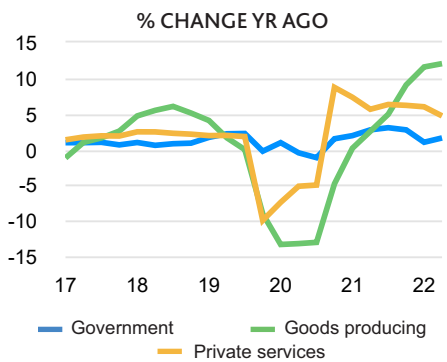
Sources: BLS, Census Bureau, Moody's Analytics

BUSINESS CYCLE INDEX



Source: Moody's Analytics

CURRENT EMPLOYMENT TRENDS

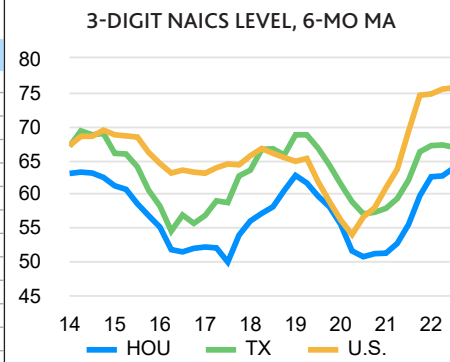


Sources: BLS, Moody's Analytics

	% CHANGE YR AGO, 3-MO MA		
	Oct 21	Apr 22	Oct 22
Total	5.1	5.9	6.2
Mining	-4.1	10.9	15.6
Construction	2.3	6.0	14.2
Manufacturing	0.9	4.2	6.9
Trade	4.0	6.8	5.9
Trans/Utilities	4.3	6.4	3.7
Information	10.9	12.4	5.2
Financial Activities	4.2	3.2	3.2
Prof & Business Svcs.	5.8	3.8	5.5
Edu & Health Svcs.	5.1	6.3	5.7
Leisure & Hospitality	16.3	12.3	13.0
Other Services	9.6	4.1	1.9
Government	1.9	3.2	1.0

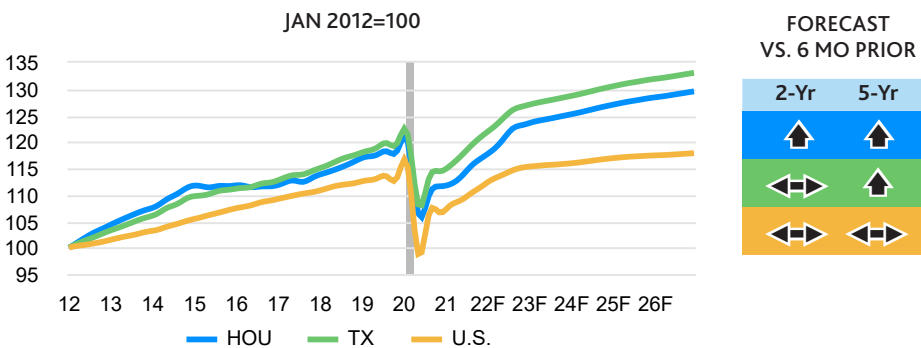
Sources: BLS, Moody's Analytics

DIFFUSION INDEX



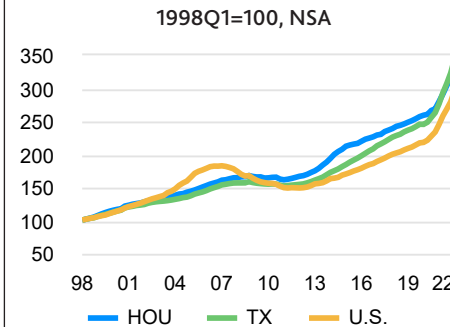
Sources: BLS, Moody's Analytics

RELATIVE EMPLOYMENT PERFORMANCE



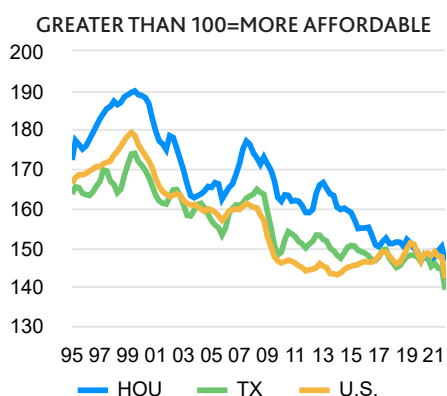
Sources: BLS, Moody's Analytics

HOUSE PRICE



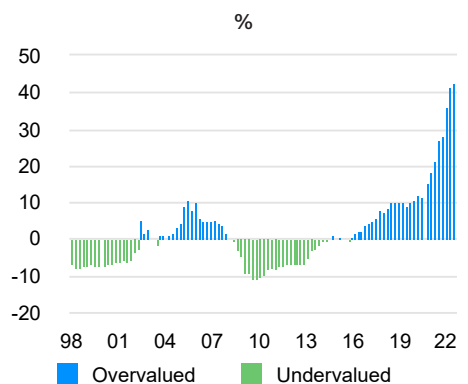
Sources: FHFA, Moody's Analytics

RENTAL AFFORDABILITY



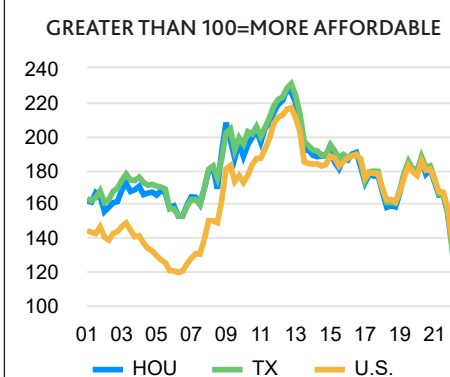
Sources: Census Bureau, BLS, Moody's Analytics

HOUSE PRICE TRENDS

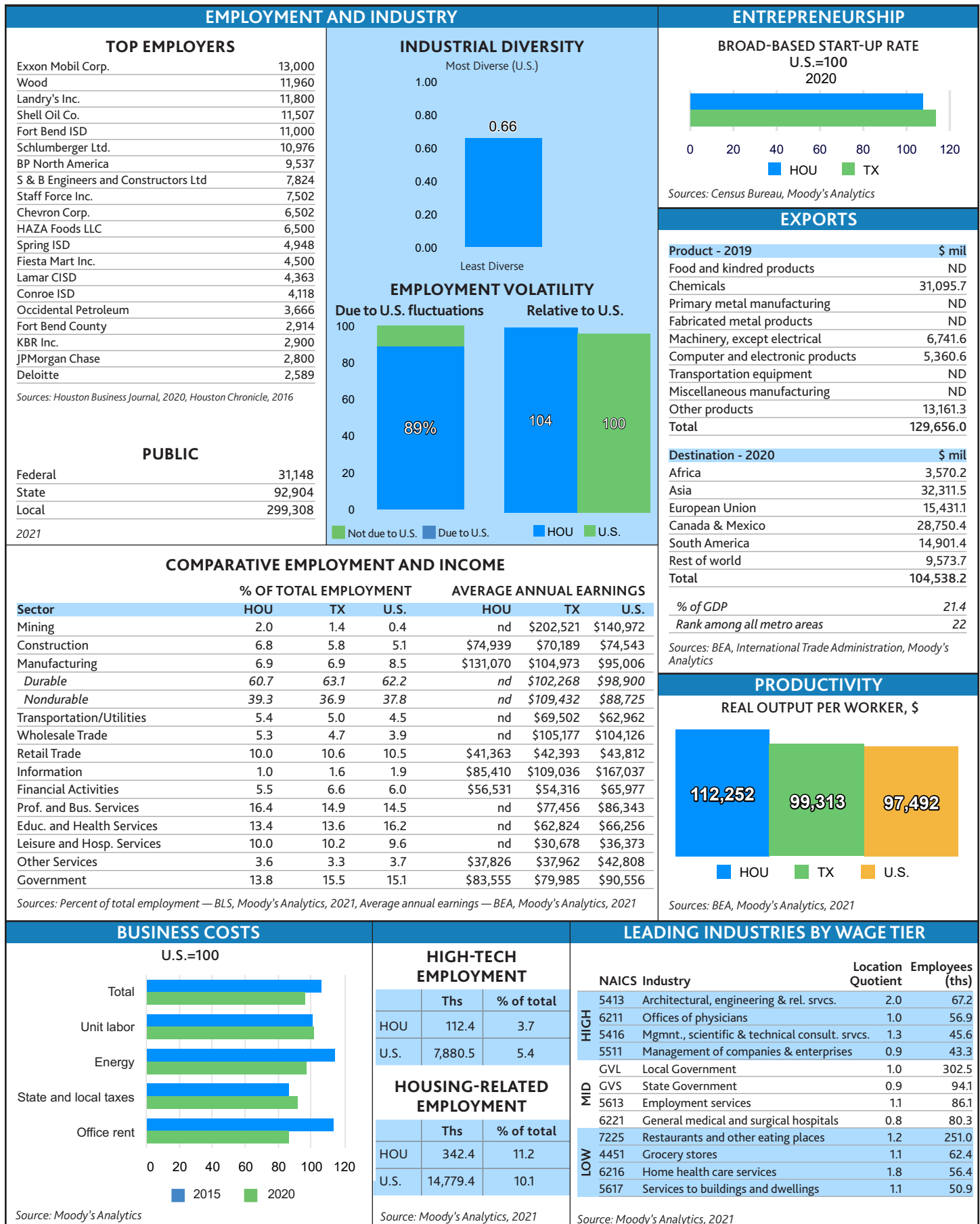


Source: Moody's Analytics

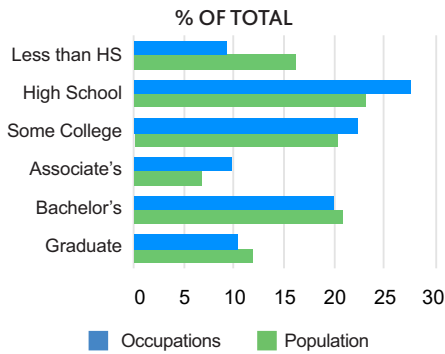
HOUSING AFFORDABILITY



Sources: NAR, Moody's Analytics



SKILLS MISMATCH

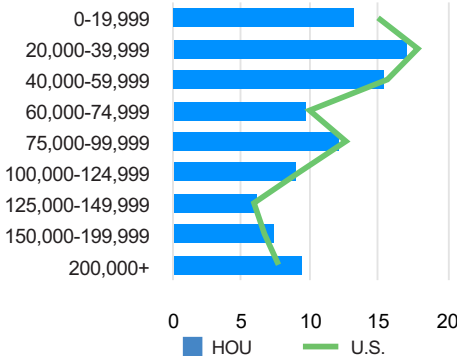


ECONOMIC DISENFRANCHISEMENT

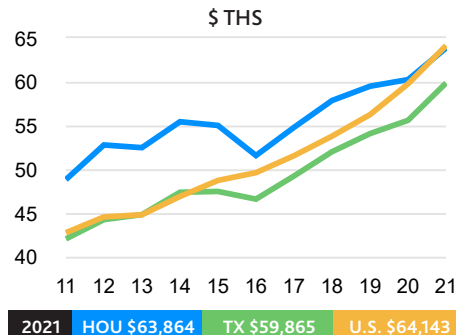
Index	2018	Rank*
Gini coefficient	0.49	66
Palma ratio	3.4	89
Poverty rate	14.3%	177

*Most unequal=1; Most equal=403

HOUSEHOLDS BY INCOME, %



PER CAPITA INCOME



MIGRATION FLOWS

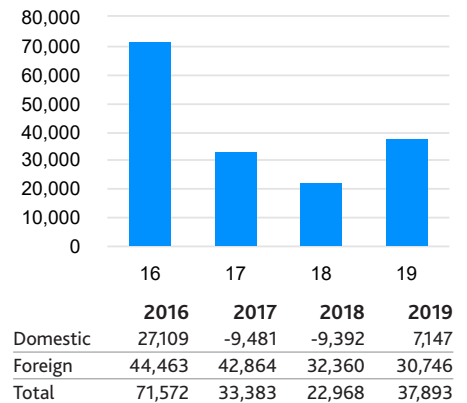
INTO HOUSTON TX

	Number of Migrants
Dallas TX	7,416
Austin TX	6,381
San Antonio TX	5,183
Beaumont TX	4,072
New York NY	3,647
Fort Worth TX	3,392
Los Angeles CA	3,263
New Orleans LA	2,475
Chicago IL	2,388
College Station TX	2,106
Total in-migration	157,483

FROM HOUSTON TX

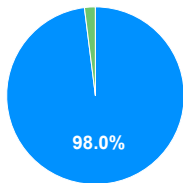
	Number of Migrants
Austin TX	9,122
Dallas TX	8,687
San Antonio TX	6,160
Fort Worth TX	3,655
Beaumont TX	2,941
Denver CO	2,060
New York NY	2,020
College Station TX	1,988
Los Angeles CA	1,982
Atlanta GA	1,869
Total out-migration	143,779
Net migration	13,704

NET MIGRATION,



COMMUTER FLOWS

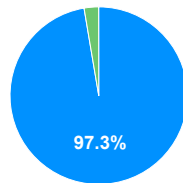
RESIDENTS WHO WORK IN HOU



Top Outside Sources of Jobs

Houston TX	Share
Beaumont TX	0.2
Dallas TX	0.1
Austin TX	0.1
San Antonio TX	0.1
College Station TX	0.1

WORKERS WHO LIVE IN HOU



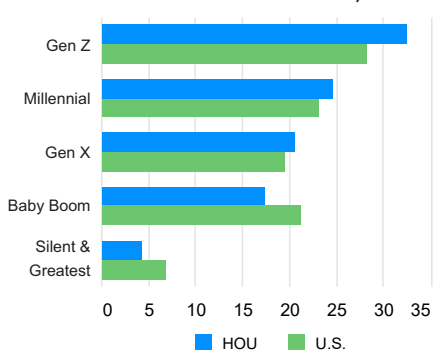
Top Outside Sources of Workers

Houston TX	Share
Beaumont TX	0.1
Dallas TX	0.1
Austin TX	0.1
San Antonio TX	0.1
College Station TX	0.1

Sources: Census Bureau, Moody's Analytics, avg 2011-2015

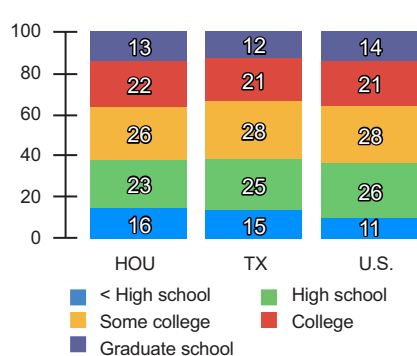
GENERATIONAL BREAKDOWN

POPULATION BY GENERATION, %

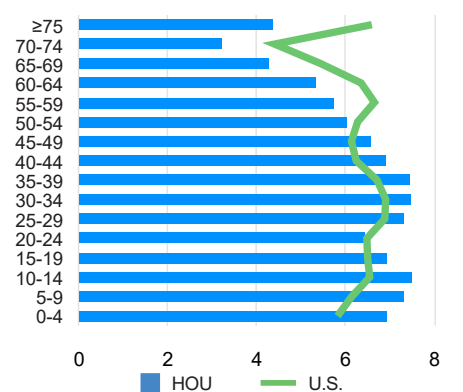


EDUCATIONAL ATTAINMENT

% OF ADULTS 25 AND OLDER

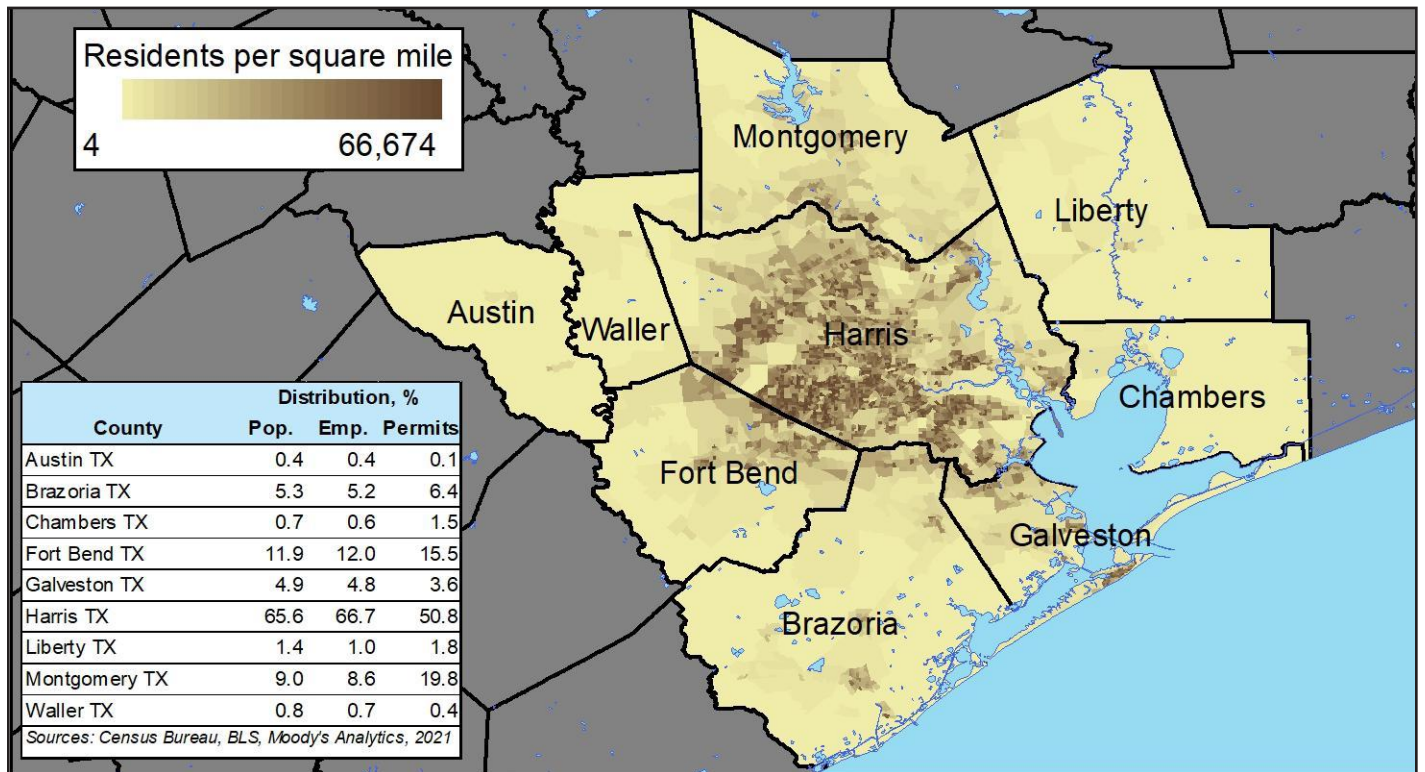


POPULATION BY AGE, %

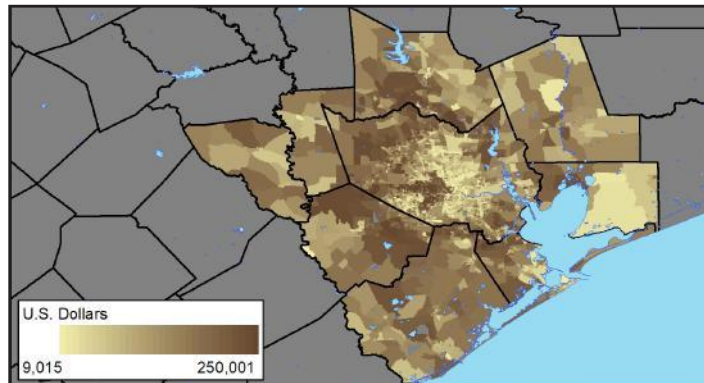


GEOGRAPHIC PROFILE

POPULATION DENSITY



MEDIAN HOUSEHOLD INCOME



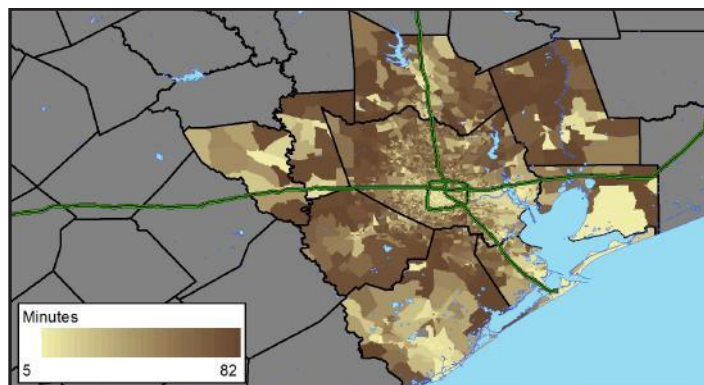
POPULATION & HOUSING CHARACTERISTICS

	Units	Value	Rank*
Total area	sq mi	9,443.8	7
Total water area	sq mi	1,183.0	12
Total land area	sq mi	8,258.2	12
Land area - developable	sq mi	6,611.3	2
Land area - undevelopable	sq mi	1,649.5	90
Population density	pop. to developable land	872.7	31
Total population	ths	7,206.8	4
U.S. citizen at birth	% of population	74.2	381
Naturalized U.S. citizen	% of population	10.3	38
Not a U.S. citizen	% of population	13.7	12
Median age		35.3	329
Total housing units	ths	2,824.0	4
Owner occupied	% of total	56.6	269
Renter occupied	% of total	35.5	72
Vacant	% of total	7.9	231
1-unit; detached	% of total	63.0	267
1-unit; attached	% of total	3.2	271
Multifamily	% of total	29.1	69
Median year built		1992	

* Areas & pop. density, out of 410 metro areas/divisions, including metros in Puerto Rico; all others, out of 403 metros.

Sources: Census Bureau, Moody's Analytics, 2021 except land area 2010

MEDIAN COMMUTE TIME



Sources: ACS, Moody's Analytics

NEIGHBORHOOD ANALYSIS

A neighborhood is defined in The Dictionary of Real Estate Appraisal, Fifth Edition, copyright 2010, page 133 by the Appraisal Institute as follows:

“A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.”

Neighborhoods may be devoted to such uses as residential, commercial, industrial, agricultural, and civic activities, or a mixture of these uses. Analysis of the neighborhood in which a particular property is located is important due to the fact that the various economic, social, political, and physical forces which affect that neighborhood also directly influence the individual properties within it.

Neighborhood Boundaries. The subject neighborhood generally includes central Waller County. It is bound by US Highway 290 to the north and FM 529 to the south, the Waller/Harris County line to the east and the Brazos River to the west. The neighborhood is located approximately 35-40 miles northwest of Houston’s Central Business District.

Access and Transportation. Primary access to this area from the Houston Central Business District is via Interstate 10, U.S. Highway 90 or U.S. Highway 290. The neighborhood is approximately 35 miles northwest of the Houston Central Business District. The major north/south traffic arteries include Fm 359, FM 262, FM 1489, and FM 2855. The major east/west traffic arteries are Interstate 10, U.S. Highway 90 and U.S. Highway 290.

Area Development. Historically, land use within the neighborhood has been predominantly agricultural with commercial use located primarily within the incorporated areas of the neighborhood. However, commercial (mostly industrial) and residential development has been taking place within the unincorporated areas of the neighborhood in recent years. This development has occurred in this area due to the availability of vacant acreage and good accessibility to major roadways from this area including U.S. Highway 290, Interstate 10 and U.S. Highway 90. The area has positive influences from its proximity Interstate 10.

Industrial development in the neighborhood includes light industrial, manufacturing facilities, office/warehouses and heavy industrial facilities. Typical construction features include either metallic or tilt-wall construction. This activity is located primarily along U.S. Highway 90 and Interstate 10 just to the south of the subject neighborhood. The residential development is occurring to the northeast of the neighborhood closer to U.S. Highway 290. The neighborhood is approximately 30%-40% built-up with this number rising due to continued development.

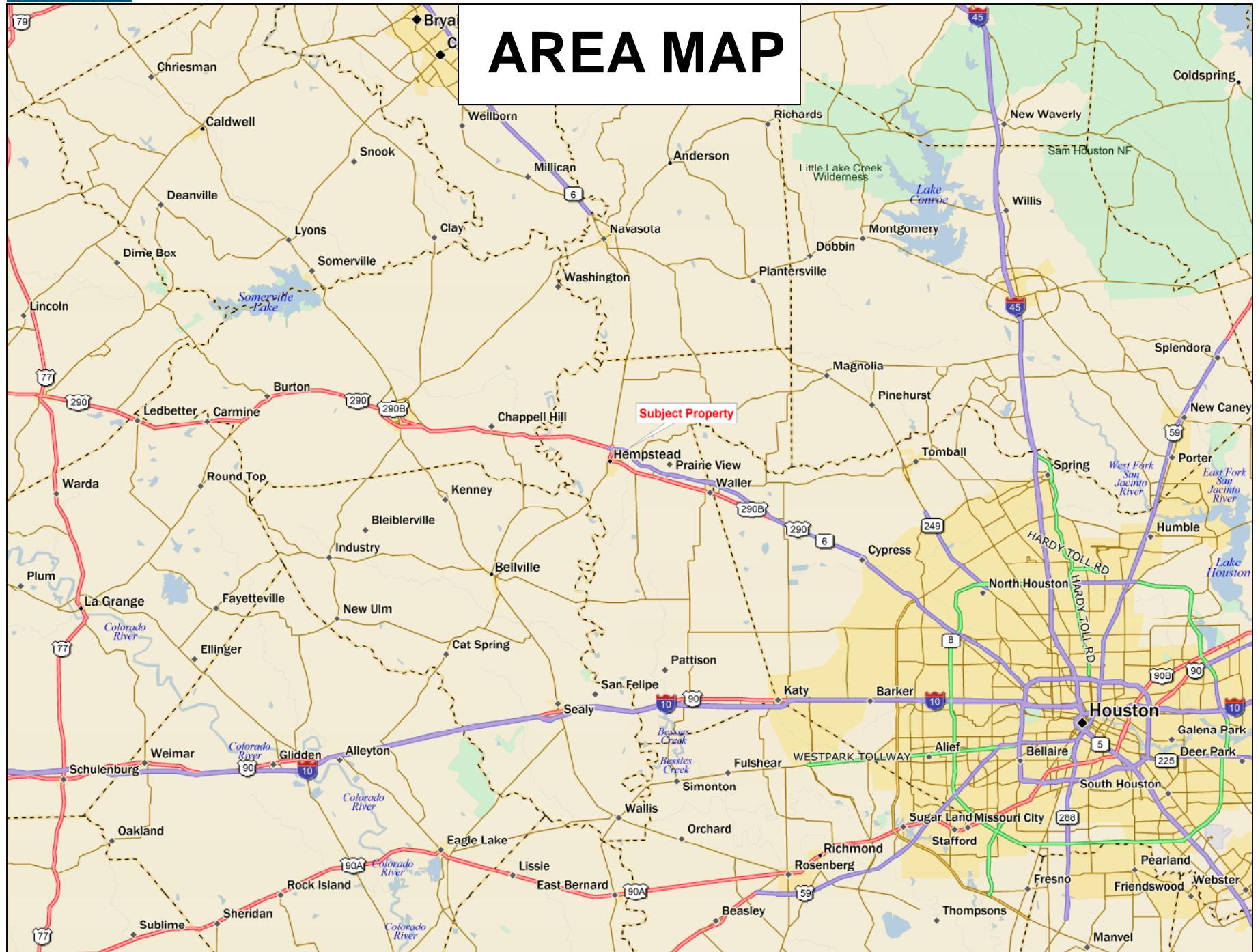
Public Services. The subject is located in an unincorporated area of Waller County and receives water and sewer service from an on-site well and septic system. Other utilities include electricity and gas from Reliant Energy and telephone service from AT&T.

Tax Jurisdiction. The neighborhood is located within the jurisdiction of Royal Independent School District, Waller County, Waller County Road and Waller-Harris ESD #200.

NEIGHBORHOOD ANALYSIS - CONTINUED

Conclusions. The subject neighborhood benefits from its accessibility to several primary roadways. There have been several new built-to-suit office/warehouse facilities constructed over the past several years most of which are located near Interstate 10 and U.S. Highway 90. An amount of new single-family residential development is to the northeast of the neighborhood in proximity to U.S. Highway 290. The near term is predicted to see stability for this area due to the recent downturns of the economy.

AREA MAP



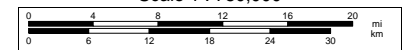
Data use subject to license.

© DeLorme, DeLorme Street Atlas USA® 2015.

www.delorme.com



Scale 1 : 750,000



1" = 11.84 mi

Data Zoom 8-1

ASSESSMENT AND TAXES

The Waller County Appraisal District (WCAD) maintains the following account number for the subject property: 257912. The 2022 assessed value with an agriculture exemption and 2022 tax rates are calculated in the table below.

<u>2022 Assessed Value</u>		
Land (No Ag Exemption)		\$1,094,750
Ag Exemption		<u>(\$1,092,860)</u>
Land Value after Exemptions		\$1,890
Improvements		<u>\$0</u>
Final Assessed Value		\$1,890
<u>Taxing Jurisdiction</u>	<u>Tax Rate /\$100</u>	<u>Tax Liability</u>
Hempstead ISD	\$1.136700	\$21
Waller County	\$0.522593	\$10
City of Hempstead	\$0.552573	\$10
Waller County Farm to Market	\$0.025852	\$0
Waller County ESD #200	<u>\$0.097426</u>	<u>\$2</u>
Total	\$2.335144	\$43

Based upon the above 2022 assessed value and tax rates, the ad valorem tax liability for the subject property is estimated to be \$43. This report is prepared under the assumption that there are no delinquent taxes as of the date of this report. We have verified whether there are any delinquent taxes affecting the subject property. The existence of such delinquent taxes could affect proceeds from any sale of the property.

SITE DATA

An analysis of a site is particularly important in determining its highest and best use. We were not provided with a survey of the subject site. In lieu of this, we relied upon the Waller County Appraisal District records for the identification of the subject site. The following is a discussion of the most important factors of the subject site.

Location. The subject site is located along the south line of Mack Washington Road, north of FM 1488. The subject is located in the 23000 Block of Mack Washington Road, Hempstead, Waller County, TX 77445.

Physical Characteristics. The subject property is basically rectangular in shape. Since the Waller CAD plat maps do not list frontages, the amount of frontages is unknown. The subject has what appears to have a typical amount of frontage along the south line of Mack Washington Road, suggesting adequate access and visibility. Please reference the plat map aerial photograph following this section of the report, as well as the subject photographs in the addenda for a graphic understanding of the subject property.

Off-Site Improvements. At the subject site, Mack Washington Road are a two-way, two-lane, asphalt-paved secondary dead-end street with open ditch drainage.

Adjacent Land Use. Land uses immediately surrounding the subject include vacant land to the north, south, east, and west of the subject. It is noted that there is a small amount of industrial development along Mack Washington Road to the east and southeast of the subject, as well as a single-family residence to the north of the subject along Mack Washington Road.

Zoning and Restrictions. The subject site is located within the city limits of Hempstead, which has zoned that subject as AR - Agricultural/Residential District, which allows for agricultural or single-family residential uses only. To the best of our knowledge, the subject site is not affected by any deed restrictions which would adversely affect the subject property. Our value conclusion is subject to revision should any deed restrictions be present that are deemed detrimental to the subject property.

Easements. According to the information provided and our visual observation, there are typical utility easements located along the boundaries of the subject site. There do not appear to be any easements which effect development of the subject site.

Utilities/Services. There was a private water well observed at the time of the site visit. It is not known of the working condition of the well. It is unknown if there is a septic system. The subject is located within the city limits of Hempstead. Currently, the City of Hempstead does not have water or sewer services to the subject tract. Additional utilities include electricity and telephone services. Police and fire protection is provided by the City of Hempstead. The subject site is served by the Hempstead Independent School District, with schools of all levels located throughout the neighborhood.

Topography/Flood Plain. At the time of our site visit, the subject site appeared relatively level and well-drained. There do not appear to be any soil or subsoil conditions noted that would adversely

SITE DATA - CONTINUED

affect construction as evidenced by the existing improvements, though it should be noted that we are not experts in soil engineering. According to the FEMA Flood Insurance Map 48437C0135F, published for Waller County and dated May 16, 2019, the subject property appears to be located Flood Zone X, which is an area determined to be outside the 0.2% annual chance flood (outside the 500-year flood plain). This determination is made by graphic plotting only, and is not guaranteed. We recommend that a surveyor determine precise flood plain status for the subject site. A copy of a portion of the flood map is included in the addenda section of this report.

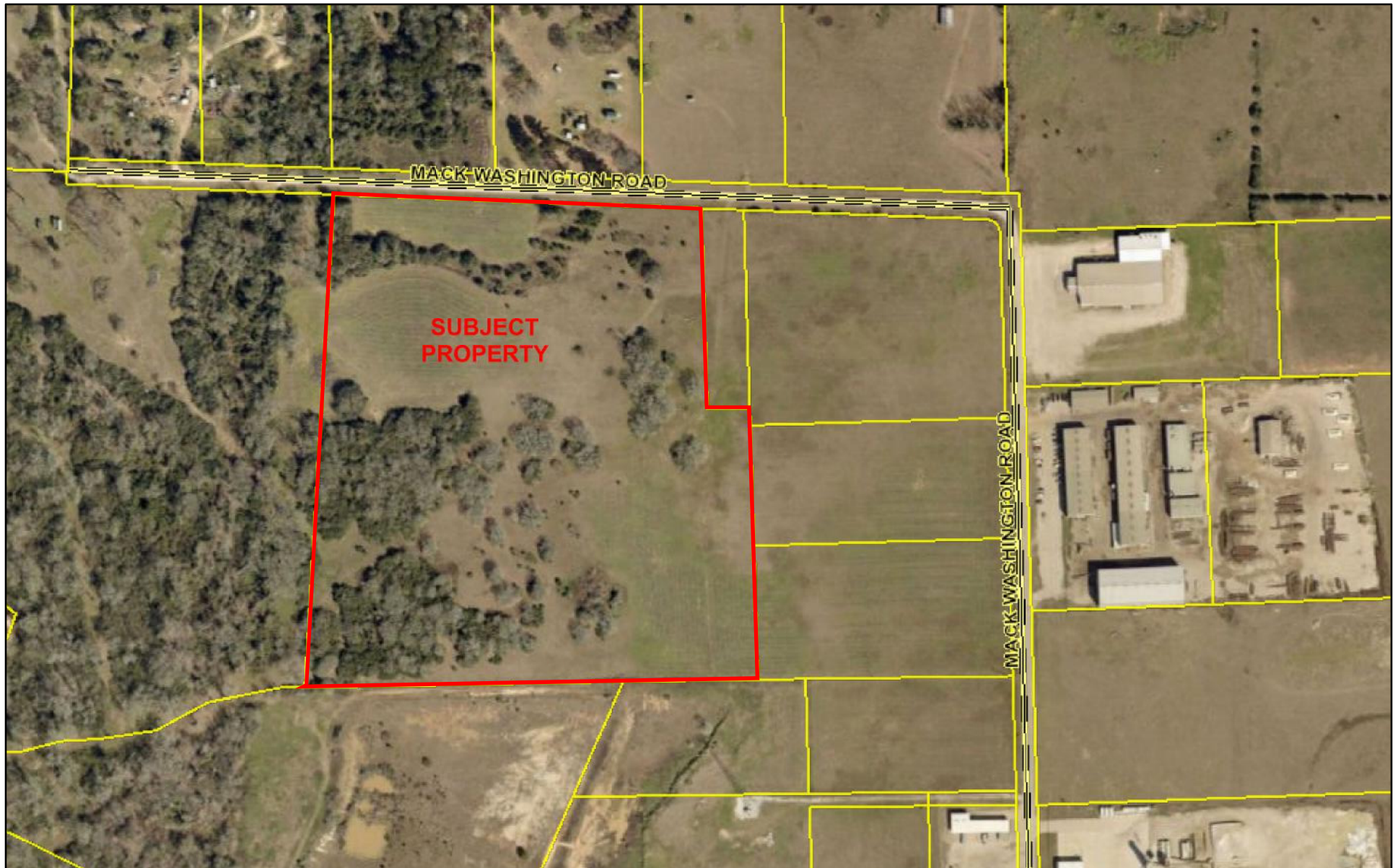
Environmental. We were provided with an Environmental Assessment of the property, which has concluded that there are no recognized environmental conditions in connection with the subject property. This assessment revealed that there were . Upon our site visit to the property, we did not observe any hazardous contaminants that would be of concern. We are not experts in recognition and identification of hazardous waste and would recommend a Phase I Environmental Assessment be prepared to identify any such hazardous contaminants along the subject property and surrounding properties, if any.

Improvements. The subject is unimproved vacant land.



Conclusions/Analysis. The subject site contains a total of approximately 25.1320 acres (1,094,750 square feet) of land, which is suitable for a variety of uses. The subject is located outside the 500-year a flood hazard area. The subject has what is considered to be a usable configuration, with a topography and flood plain location typical of properties in this area. On an overall basis, the subject is considered to be well suited for commercial retail use.

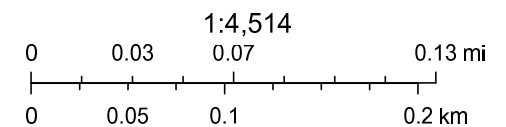
For further details as to the site configuration, please reference the following plat map and aerial photograph, as well as the subject photographs, flood plain map, and wetlands map located in the addenda to this report.

PLAT MAP AND AERIAL PHOTOGRAPH



4/11/2023, 7:25:20 PM

-  Streets
-  Parcel Boundary



ZONING

The subject site is located within the city limits of Hempstead, which has zoned that subject as AR - Agricultural/Residential District, which allows for agricultural or single-family residential uses only. To the best of our knowledge, the subject site is not affected by any deed restrictions which would adversely affect the subject property. Our value conclusion is subject to revision should any deed restrictions be present that are deemed detrimental to the subject property.

HIGHEST AND BEST USE

Fundamental to the concept of value is the theory of highest and best use. According to the Appraisal Institute *The Dictionary of Real Estate Appraisal*, 7th Edition, copyright 2022, pages 88 and 89, Highest and Best Use is defined as:

- (1) *“The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.”*
- (2) *“The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid.”*
- (3) *“The highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future.”*

The procedure used in this report to estimate the highest and best use of the subject was to consider, in sequence, the site's legally permissible uses, the site's physically possible uses, the site's financially feasible uses, and finally, the optimum or highest and best use. Data collected and analyzed for purposes of the Neighborhood Analysis, and particularly the Site Data, was useful in arriving at a final decision.

There are four major criteria to be considered when analyzing the highest and best use of a property, vacant or improved. The criteria are that the highest and best use must be (1) legally permissible, (2) physically possible, (3) financially feasible, and (4) maximally productive. These criteria should usually be considered sequentially. We will examine the site's highest and best use as vacant land since the subject is vacant land.

Highest and Best Use Analysis - “As Vacant”

Legally Permissible. Private (deed) restrictions, zoning regulations, building codes, historic district controls, and environmental regulations can often preclude a possible highest and best use. The subject site is located within the city limits of Hempstead, which has zoned that subject as AR - Agricultural/Residential District, which allows for agricultural or single-family residential uses only. To the best of our knowledge, the subject site is not affected by any deed restrictions which would adversely affect the subject property. Our value conclusion is subject to revision should any deed restrictions be present that are deemed detrimental to the subject property.

Possible Use. The first constraint imposed on the possible use of the property is dictated by the physical aspects of the site itself. This includes such factors as size, shape, terrain, etc. In general, the larger the site, the greater its potential to achieve economics of scale and flexibility in development. The subject is located along the south line of Mack Washington Road, north of FM 1488, in Hempstead, Waller County, TX 77445. Overall, the subject tract could facilitate any possible uses.

HIGHEST AND BEST USE - CONTINUED

A tract's topography and subsoil conditions are also important considerations in determining its possible uses. If a site's topography or subsoil conditions make utilization restrictive and costly, the site's potential future use is adversely affected. As mentioned previously in the "Site Data" section of this report, the subject is gently sloping and appeared to be well drained. In addition, there are no apparent soil or subsoil conditions which would adversely affect construction, as evidenced by nearby improvements.

The possible uses of a tract are also dependent upon the site's utility availability and capacity. If a site has no access to utility service and cannot acquire access, it is virtually impossible to develop. Of equal importance is a site's utility capacity. A tract which does not have, and cannot acquire, high density utility capacity is restricted from some commercial property uses. There was a private water well observed at the time of the site visit. It is not known of the working condition of the well. It is unknown if there is a septic system.

By virtue of its shape, topography and utility availability, the subject site lends itself to a wide variety of possible uses. Physically possible uses include residential, retail, industrial, or office development.

Financially Feasible Use. From a financial standpoint, any property use which is expected to produce a positive rate of return is regarded as being feasible. Factors dictating which property uses are feasible include those which determine the possible and legal uses as well as other important factors. These factors include the shape, frontage, and location of the tract; access to the tract; adjacent property uses (in the interest of conformity); and the general neighborhood characteristics. These factors, along with pertinent market information, help determine what returns could be expected from alternative property uses. Based on area development, we feel the most likely use of the subject tract would be for an agricultural or residential use, which we feel would be financially feasible.

Maximally Productive. Given the economic realities of the subject market and the physical characteristics of the subject site, the maximally productive use of the subject site is for an agricultural or residential use.

Highest and Best Use, "As Vacant". As noted by the above analysis, an agricultural or residential use is physically possible, legally permissible, and financially feasible use. Therefore, the highest and best use of the subject property, considering the subject's location, is an agricultural or residential use.

MARKET APPROACH TO VALUE - LAND ONLY

In reaching the land value opinion of the subject property by the market data approach, we searched the County Deed Records for recent sales of comparable properties within this area. We also consulted real estate brokers and appraisers active in the area as to their knowledge of properties currently offered on the market for sale which would be in competition with the subject property.

We then investigated, analyzed and compared the available market data to the subject property, taking into prime consideration the various similar and dissimilar characteristics, including terms of sale, and made adjustments accordingly in reaching the value opinion of the subject property by the market approach.

The Sales Comparison approach involves comparing similar land sales to the site with adjustments for different characteristics. Several units of comparison are available to the appraiser; however, the primary unit of comparison in this report is the price per square foot. This unit is then applied to the subject property after adjusting the sales items for different characteristics. Our comparative analysis involves adjustments for property rights, financing, conditions of the sale, date of sale (market conditions), location, utility availability, flood plain status, zoning and other physical characteristics. Our research includes properties in the neighborhood of the subject. We have included, in our opinion, the most comparable sales of those uncovered in our survey.

The subject tract contains a total of 25.132 acres, or 1,094,750 square feet of land. The land sales listed on the following pages were considered to be the most comparable to the subject of all those occurring in the area over the recent past.

The following is a listing of sales considered in our analysis of the subject property.

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

<u>LAND SALE ONE</u>		
Location:	S/L FM 1488, just east of Mack Washington Road	
City:	Hempstead	
Size:	6.260	acres
	272,686	square feet
Date of Sale:	June 28, 2021	
Sale Price:	\$550,000	
Sale Price Per Acre:	\$87,859	
Sale Price PSF:	\$2.02	
Utilities:	Private well and septic	
Zoning:	None - Outside the city limits of Hempstead	
Flood Zone:	X - Outside the 500-year flood plain	
Remarks	This tract has frontage along FM 1488. This is unimproved vacant land purchased for unknown reasons.	

<u>LAND SALE TWO</u>		
Location:	S/L Highway 290, just east of Sorsby Road	
City:	Hempstead	
Size:	27.780	acres
	1,210,097	square feet
Date of Sale:	July 16, 2021	
Sale Price:	\$1,572,000	
Sale Price Per Acre:	\$56,587	
Sale Price PSF:	\$1.30	
Utilities:	Private well and septic	
Zoning:	None - Outside the city limits of Hempstead	
Flood Zone:	X - Outside the 500-year flood plain	
Remarks	This tract has frontage along Highway 290. This is unimproved vacant land purchased for unknown reasons.	

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

<u>LAND SALE THREE</u>	
Location:	W/L FM 1098, just south of Joe Loggins Road
City:	Hempstead
Size:	13.415 acres
	584,375 square feet
Date of Sale:	September 26, 2022
Sale Price:	\$500,000
Sale Price Per Acre:	\$37,271
Sale Price PSF:	\$0.86
Utilities:	Private well and septic
Zoning:	None - Outside the city limits of Hempstead
Flood Zone:	X - Outside the 500-year flood plain
Remarks	This tract is located just north of Prairie View, Texas. This is unimproved vacant land purchased for unknown reasons.

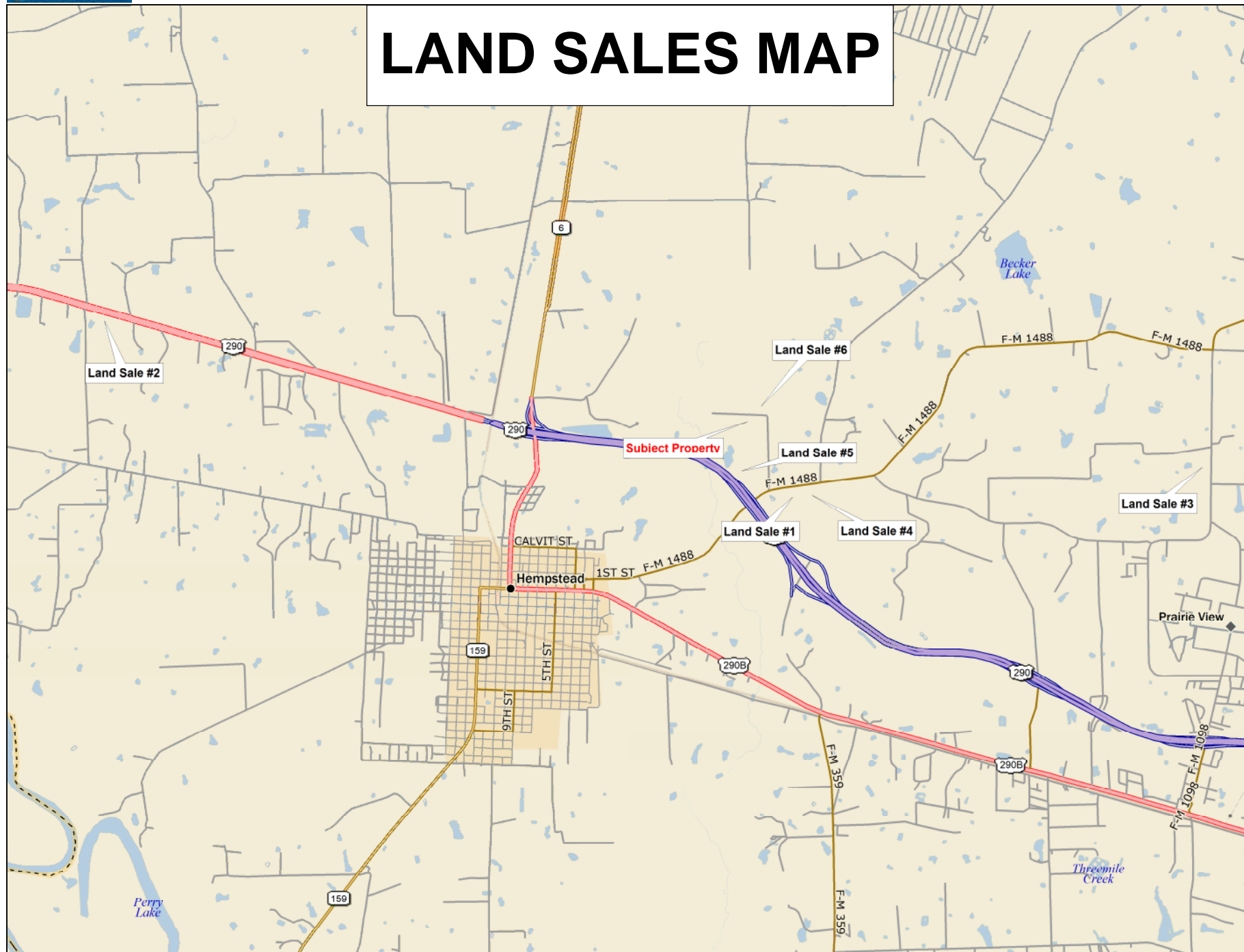
<u>LAND SALE FOUR</u>	
Location:	S/L FM 1488, just east of Mack Washington Road
City:	Hempstead
Size:	17.463 acres
	760,697 square feet
Date of Sale:	October 11, 2022
Sale Price:	\$2,000,000
Sale Price Per Acre:	\$114,527
Sale Price PSF:	\$2.63
Utilities:	Private well and septic
Zoning:	None - Outside the city limits of Hempstead
Flood Zone:	X - Outside the 500-year flood plain
Remarks	This tract has frontage along FM 1488. This is unimproved vacant land purchased for unknown reasons.

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

<u>LAND SALE FIVE</u>	
Location:	E/L Post Oak Drive, just north of Highway 290
City:	Hempstead
Size:	1.500 acres
	65,340 square feet
Date of Sale:	March 13, 2023
Sale Price:	\$225,000
Sale Price Per Acre:	\$150,000
Sale Price PSF:	\$3.44
Utilities:	Public water and sewer
Zoning:	Highway Commercial
Flood Zone:	X - Outside the 500-year flood plain
Remarks	This tract is located just to the south of the subject. Property uses to the south and southeast of this tract include a DaVita Dialysis clinic, two restaurants, a Pilot Truck Stop, and a taxidermist building. This is unimproved vacant land purchased for unknown reasons.

<u>LAND SALE SIX</u>	
Location:	S/L Mack Washington Road, north of FM 1488
City:	Hempstead
Size:	7.410 acres
	322,780 square feet
Date of Sale:	Under Contract
Sale Price:	\$370,000
Sale Price Per Acre:	\$49,932
Sale Price PSF:	\$1.15
Utilities:	Private well and septic
Zoning:	None - Outside the city limits of Hempstead
Flood Zone:	X - Outside the 500-year flood plain
Remarks	This tract is located along the north line of Mack Washington Road, and two tracts east of the subject tract. The property was listed for sale for \$375,000 on June 10, 2022, went under contract in 20 days on July 1, 2022, and is expected to close on May20, 2023. According to the listing broker, the property is under contract for just under the list price. This is unimproved vacant land under contract to be purchased for unknown reasons.

LAND SALES MAP



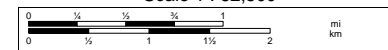
Data use subject to license.

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www.delorme.com



Scale 1 : 62,500



1" = 5,208.3 ft

Data Zoom 11-6

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

In reaching the land value opinion of the subject property by the market data approach, we searched county deed records for recent sales of comparable properties within this area. We also consulted real estate brokers and appraisers active in the area as to their knowledge of properties currently offered on the market for sale which would be in competition with the subject property.

We then investigated, analyzed and compared the available market data to the subject property, taking into prime consideration the various similar and dissimilar characteristics, including terms of sale, and made adjustments accordingly in reaching the value opinion of the subject property by the market approach.

The following is a summary of sales considered in our analysis of the subject property, which were considered to be the most comparable to the subject of all those occurring in the neighborhood over the recent past. The following is a chronological listing of the sales used in this report.

<i>SALE</i>	<i>DATE</i>	<i>SIZE (ACRES)</i>	<i>SALE PRICE</i>	<i>PRICE (\$/Acre)</i>	<i>LOCATION</i>
1	6/28/21	6.260	\$550,000	\$87,859	S/L FM 1488, just east of Mack Washington Road
2	7/16/21	27.780	\$1,572,000	\$56,587	S/L Highway 290, just east of Sorsby Road
3	9/26/22	13.415	\$500,000	\$37,271	W/L FM 1098, just south of Joe Loggins Road
4	10/11/22	17.463	\$2,000,000	\$114,527	S/L FM 1488, just east of Mack Washington Road
5	3/13/23	1.500	\$225,000	\$150,000	E/L Post Oak Drive, just north of Highway 290
6	UC	7.410	\$370,000	\$49,932	S/L Mack Washington Road, north of FM 1488
Subj	N/A	25.132	N/A	N/A	S/L Mack Washington Road, north of FM 1488

As indicated in the "Site Data" section, the subject property contains approximately 25.1320 acres (1,094,750 square feet). As can be referenced in the preceding chart, the land sales range in date of sale from June 2021 to a property under contract. The land sales range in size from 1.5000 acres to 27.7800 acres; and in sales price from \$37,271 to \$150,000 per acre.

When comparing these sales to the subject parcel, the factors considered to be the most critical were conditions of sale, financing terms, date of sale, size, location and access, physical characteristics, and utility availability. Each of the sales were compared to the subject property and adjusted on that basis. The following is a discussion of the comparisons used in our analysis.

Financing Terms. The transaction price of one property may differ from that of an identical property due to different financing arrangements. For example, a buyer may pay a higher price in a transaction which involves below market or favorable financing. Favorable financing can be in terms of a below market interest rate, a small down payment, an interest only loan, a non-recourse or limited liability loan, or a loan based upon the cash flow of the project. All of the sales in this report were cash to the seller, therefore no adjustments are deemed necessary.

Conditions of Sale. Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. Buyers or sellers acting under duress may cause a sale to be less representative of the

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

market. A financial, business, or family relationship between the parties may affect the price of a property. When non-market conditions of sale are detected in a transaction, the sale can be used as a comparable only with great care. The circumstances of the sale must be thoroughly researched before an adjustment is made. Although conditions of sale are often perceived as applying only to sales that are not arm's-length transactions, some arm's-length sales may reflect atypical motivations or sale conditions due to unusual tax considerations, sale at legal auction, lack of exposure on the open market, or eminent domain proceedings. If the sales used in the market approach reflect such situations, an appropriate adjustment must be made for motivation or conditions of sale. All sales had no special conditions and required no adjustments for this factor.

Market Conditions: Changes in market conditions may be the result of inflation, deflation, fluctuations in supply and demand, changes in highest and best use, or other factors. Although this adjustment is often referred to as a "time" adjustment, time is not the cause of the adjustment, but a reflection of shifts, or changes in market conditions. Therefore, if market conditions have not changed, no adjustment is deemed necessary, no matter how much time has elapsed. These adjustments are necessary to correct for changes in value over time due to market factors such as supply and demand, and economic factors such as inflation. Sales 1 and 2 were adjusted upward 6% for changing market conditions. Sales 3, 4, 5, and 6 are considered to be reflective of current market conditions with the pandemic, and were not adjusted for this factor.

Location. The subject property is located along the south line of Mack Washington Road, north of FM 1488. The subject is an interior tract with frontage along Mack Washington Road. Land uses immediately surrounding the subject include vacant land to the north, south, east, and west of the subject. It is noted that there is a small amount of industrial development along Mack Washington Road to the east and southeast of the subject, as well as a single-family residence to the north of the subject along Mack Washington Road.

Sales 1 and 4 are located along FM 1488 just to the east of Mack Washington Road and Highway 290. Sales 1 and 4 are located superior in terms of visibility, traffic passage, and area development, and were adjusted downward 40% for this factor. Sale 2 is located along Highway 290 west of Hempstead, which is superior in terms of visibility and traffic passage, and was adjusted downward 30% for this factor. Sale 3 is inferior to the subject in terms of area development, and was adjusted upward 20% for this factor. Sale 5 is located superior in terms of area development, and was adjusted downward 15% for this factor. Sale 6 is located along the north line of Mack Washington Road just to the east of the subject, and was not adjusted for this factor.

Size. The subject site contains 25.132 acres, whereas the comparable sales range from 1.500 to 27.780 acres. In most areas of the Houston CMSA, smaller tracts of land sell for a higher price per unit than larger properties. This is due to the fact that purchases of large acreage tracts entail a much greater capital outlay. This restricts the number of possible buyers as compared to the relatively larger market for smaller tracts, which tends to disproportionately "bid up" the smaller tract's per unit prices. Sales 1, 3, 4, 5, and 6 are smaller and were adjusted downward 5% to 30% for this factor. Sale 2 is relatively similar in size as the subject and required no adjustment for this factor.

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

Corner/Frontage Influence. Properties which enjoy a corner location or have frontage along more than one roadway typically sell at a higher per unit value due to increased exposure and accessibility. The subject is an interior tract with frontage along a single public street. All sales are similar and were not adjusted for this factor.

Zoning. The subject property is located within the city limits of Hempstead, which has zoned the subject site as agricultural or residential uses. Sales 1, 2, 3, 4, and 6 were unrestricted to use and were not adjusted for this factor. Sale 5 is zoned Highway Commercial, and was adjusted downward 5% for this factor.

Site Characteristics. Properties which have very irregular shapes, are located in flood hazard areas with undevelopable portions or have undesirable topography tend to have lower values. The subject is rectangular in shape and is located outside the 500-year flood plain. All sales are considered similar in regards to site characteristics, and required no adjustments for this factor.

Utility Availability. The availability of utilities is a major factor in the development of any property. If a site has no access to utility service and cannot acquire access, it is virtually impossible to develop. Therefore, the price paid for such a site would be affected due to its lack of utilities. In this case, an owner must make up the expense for acquiring the services and enhancing the site's value. The subject has a private water well and it is unknown if a private septic system is present. If not, a private septic system would be required. Sales 1, 2, 3, 4, and 6 are similar and were not adjusted. Sale 5 has public water and sewer, and was adjusted downward 20% for this factor.

LAND ANALYSIS AND VALUE INDICATION - CONTINUED

The land sales adjustment grid below shows our adjustments as they pertain to the subject property:

LAND SALES ADJUSTMENT GRID						
SALE	1	2	3	4	5	6
PRICE/ACRE	\$87,859	\$56,587	\$37,271	\$114,527	\$150,000	\$49,932
DATE	6/28/21	7/16/21	9/26/22	10/11/22	3/13/23	UC
CONDITIONS OF SALE	0%	0%	0%	0%	0%	0%
MARKET CONDITIONS	6%	6%	0%	0%	0%	0%
TOTAL ADJUSTMENT	6%	6%	0%	0%	0%	0%
ADJUSTED \$/ACRE	\$93,131	\$59,983	\$37,271	\$114,527	\$150,000	\$49,932
SIZE (ACRES)	6.260	27.780	13.415	17.463	1.500	7.410
LOCATION	-40%	-30%	20%	-40%	-15%	0%
SIZE	-15%	0%	-5%	-5%	-30%	-15%
CORNER/FRONTAGE	0%	0%	0%	0%	0%	0%
ZONING	0%	0%	0%	0%	-5%	0%
SITE CHARACTERISTICS	0%	0%	0%	0%	0%	0%
UTILITIES	0%	0%	0%	0%	-20%	0%
TOTAL PHYSICAL ADJ.	-55%	-30%	15%	-45%	-70%	-15%
FINAL ADJ. \$/ACRE	\$41,909	\$41,988	\$42,861	\$62,990	\$45,000	\$42,443

Land Value Conclusion. The sales within the Adjustment Grid have an adjusted sales price ranging from \$41,909 per square foot to \$62,990 per acre, with an average adjusted price of \$46,950 per acre. Removing the extreme high results in an average of \$42,840 per acre. Based on the above land sales analysis, and considering the subject's highest and best use, and location, it is our opinion that the market value of the subject is \$43,000 per acre. The "As Is" value of the Fee Simple Estate of the subject, is as follows:

INDICATED LAND VALUE FOR THE SUBJECT "AS IS" (Fee Simple Estate)		
Land Area / Acres	Indicated Value Per Acre	Indicated Land Value
25.1320	\$43,000	\$1,080,676
Land Value (rounded):		\$1,080,000

RECONCILIATION AND FINAL VALUE OPINION

The reconciliation involves weighing the value indications provided by each method in light of its dependability as a reflection of the probable actions of users and investors in the market place. The appraiser's final conclusion of value may coincide with one of the approaches or it may reflect a weighing of relative merits of each of the approaches in leading to a final conclusion. One method of property valuation is used in this appraisal and this final section is the discussion of the value indication provided by this approach. Consideration of the relative merits of each value indication involves reviewing each approach with respect to: 1) reliability of the data used; 2) the applicability of the approach to the type of property being appraised; and 3) the applicability of the approach in light of the definition of value sought.

Final Value Opinion. The Market Approach to Value was utilized, which is the only applicable approach being the subject is vacant land. The final opinion of value must be based upon that confirmation of the available market data and analysis which is most appropriate. In our opinion, the Market Approach is well documented and supported by good market data. Thus, we have placed emphasis on this approach. It is our opinion the subject property, if properly marketed, could be sold within a 12 month exposure time. Our opinion of the Market Value of the Fee Simple Estate of the subject property "As Is", as of the effective date of April 12, 2023, is as follows:

**ONE MILLION EIGHTY THOUSAND DOLLARS
\$1,080,000**

There are no hypothetical conditions or extraordinary assumption for this appraisal.

ADDENDA

QUALIFICATIONS

QUALIFICATIONS OF MICHAEL B. LANE, MAI

Business

MB LANE & ASSOCIATES, INC.
8990 Hempstead Highway, Suite 102
Houston, Texas 77008

Telephone:(713) 863-1414
Fax:(713) 863-8822
Email: michael@mblane.com

Employment History

1999 to Present	MBLane & Associates, Inc	President	Houston, TX
1997 to 1999	First Union Capital Markets Group	Vice President	Houston, TX
1994 to 1997	Banc One Capital Markets Group	Underwriter	Houston, TX
1986 to 1994	Edward B. Schulz & Company	Senior Appraiser	Houston, TX

Education

University of Arkansas	Bachelor of Business Administration	Major: Finance & Real Estate	1985
------------------------	-------------------------------------	------------------------------	------

Certifications

General Real Estate Appraiser in the State of Texas	Certification Number: TX-1322609-G
Licensed Real Estate Broker in the State of Texas	License Number: 0373554
Member - Appraisal Institute (MAI)	Current - December 31, 2023

Training (1989 to Present)

Appraisal Reporting
Basic Valuation Procedures
Capitalization Theory & Techniques, Part A
Capitalization Theory & Techniques, Part B
Case Studies in Real Estate Valuation
Defensible Appraisal
Demonstration Report Writing
Fundamentals of Separating Real Property, Personal Property & Intangible Business Assets
General Market Analysis and Highest & Best Use
Interagency Rules of Banks & Credit Unions
National USPAP Update
Property Tax
Real Estate Appraisal Principles
Report Writing and Valuation Analysis
Sales Comparison-Adjustment Process
Standards of Professional Practice, Part A
Standards of Professional Practice, Part B
Write It Up

QUALIFICATIONS OF MICHAEL B. LANE, MAI - CONTINUED

Types of Real Estate Appraised & Consulting Assignments

Assisted Living Facilities
Automobile Dealership
Automotive Repair Facilities
Business Parks
Churches
Condemnation
Convenience Stores
Fast-Food Franchises
Garden Apartments
Greenhouse/Nurseries
Industrial & Manufacturing
Leasehold Valuation
Manual & Full Service Car Washes
Medical Office Buildings
Mini-Warehouses
Motels & Hotels
Nursing Homes
Office Buildings
Recreational Vehicle Park
Resort and Recreational Development
Restaurants/Bars
Service Stations
Shopping Centers
Single-Family Subdivisions
Special Purpose Properties
Time Share Project
Townhouse Developments
Vacant Land

Partial List of Representative Clients

Allegiance Bank	Iron Stone Bank
Alliance Bank	Lowery Bank
Bancorp South	Members Choice Credit Union
BB&T	Moody National Bank
BBVA Compass	Plains State Bank
Beal Bank	Post Oak Bank
CBB Bank	Prosperity Bank
Chase/JP Morgan	Q10 Kinghorn, Driver, Hough & Co.
Citizens State Bank	Regions Bank
City Bank Texas	Smart Financial Credit Union
Coamerica Bank	StanCorp Mortgage Investors
Community First Bank & Trust	Stearns Bank
East West Bank	Symetra Financial
Evolve Bank & Trust	Synergy Bank
Fidelity Bank	Texas Advantage Community Bank
Green Bank	Tradition Bank
Guaranty Bank & Trust	Trustmark Bank
Heritage Bank	US Bank
IBC Bank	ValueBank Texas
Independence Bank	Wells Fargo Bank
Independent Bank of Texas	Wilshire State Bank

Various Types of Studies

Environmental Impact Studies
Feasibility Studies
Highest and Best Use Studies
Market Studies



QUALIFICATIONS OF GARY JONES

Business Address:

MB LANE & ASSOCIATES, INC.
8990 Hempstead Highway, Suite 102
Houston, Texas 77008

Telephone (713) 863-1414
Fax (713) 863-8822

E-Mail: gary@mblane.com

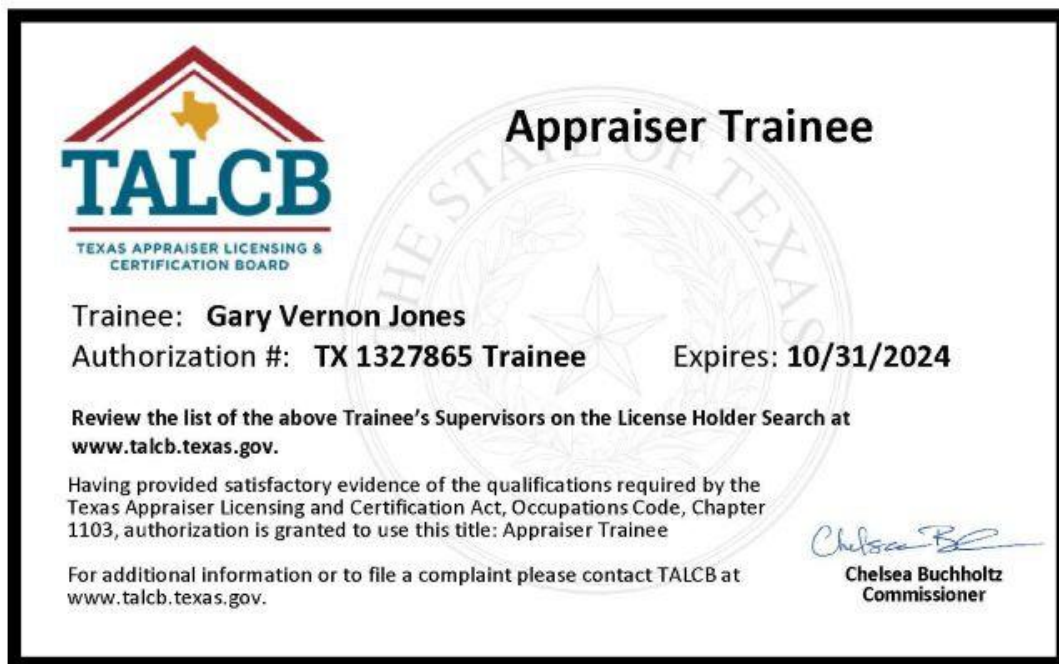
Appraisal Employment History:

2006 -Present	Appraiser Trainee, MB Lane & Associates, Inc.	Houston, Texas
2000-2006	Appraiser Trainee, O'Connor & Associates, L.P.	Houston, Texas

Certification: Trainee certification #1327865-T Expires October 31, 2024.

Types of Real Estate Appraisal Assignments

Retail Centers	Garden Apartments
Office Buildings	Motels
Warehouses	Day Care Centers
Single Family	Freestanding Retail Buildings
Vacant Land	Convenience Stores
Condo	Self-Storage Facilities
Medical Office Buildings	Automotive Sales & Repair Facilities



SUBJECT PHOTOGRAPHS

SUBJECT PROPERTY PHOTOGRAPHS



Front view of the subject property from Mack Washington Road.

SUBJECT PROPERTY PHOTOGRAPHS



Front view of the subject property from Mack Washington Road.

SUBJECT PROPERTY PHOTOGRAPHS



Front view of the subject property from Mack Washington Road.

SUBJECT PROPERTY PHOTOGRAPHS



Interior view of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



Interior view of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



Interior view of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



Interior view of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



Interior view of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



Interior view of the subject property.

SUBJECT PROPERTY PHOTOGRAPHS



Water well on the subject tract.

SUBJECT PROPERTY PHOTOGRAPHS



**Wildlife watering station on subject tract.
(Considered to be personal property.)**

SUBJECT PROPERTY PHOTOGRAPHS



**Turkey feeder on subject tract.
(Considered to be personal property.)**

SUBJECT PROPERTY PHOTOGRAPHS



Mack Washington Road looking west.

SUBJECT PROPERTY PHOTOGRAPHS



Mack Washington Road looking east.

FLOOD MAP



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE)
Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

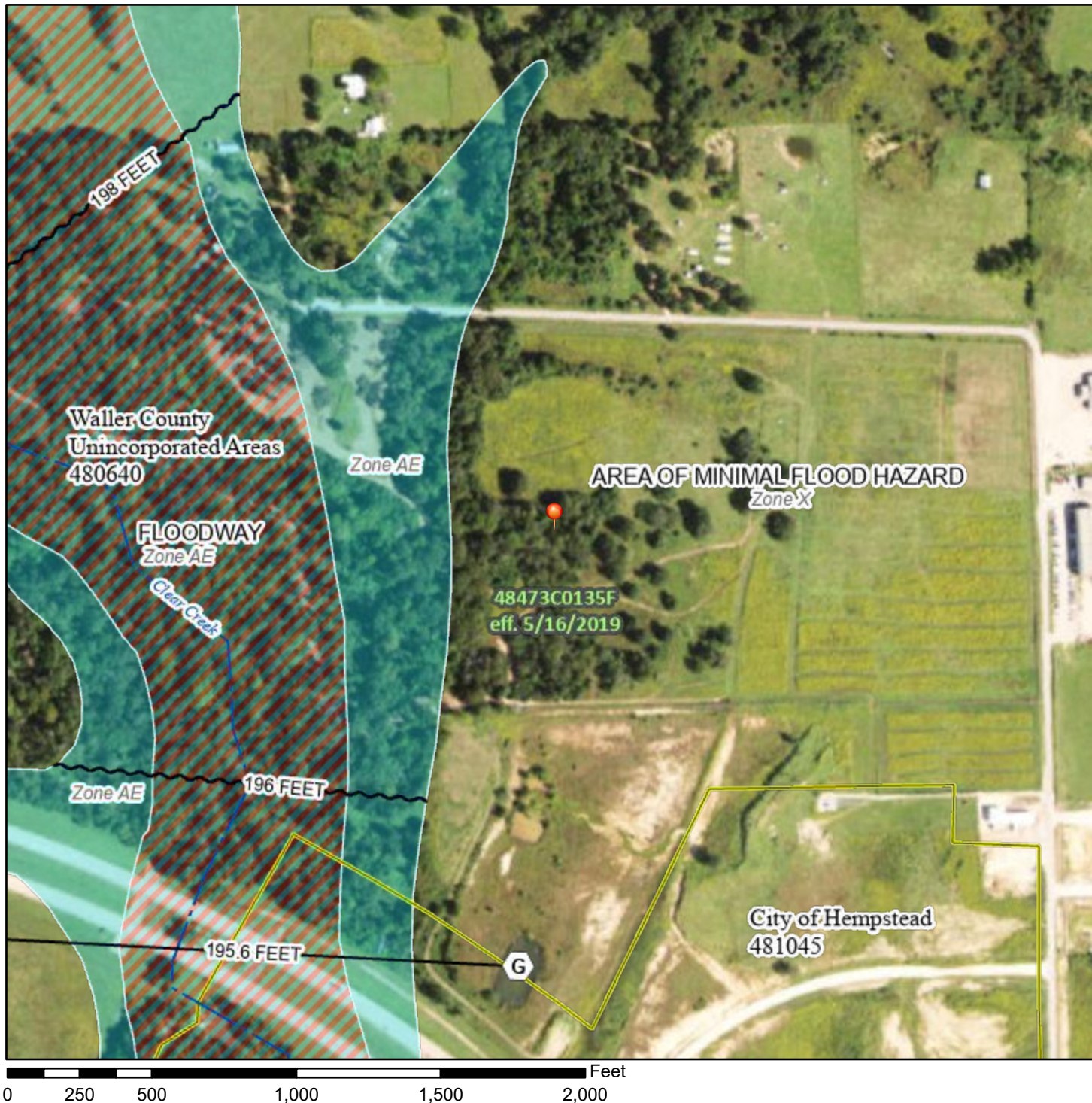
- Digital Data Available
- No Digital Data Available
- Unmapped



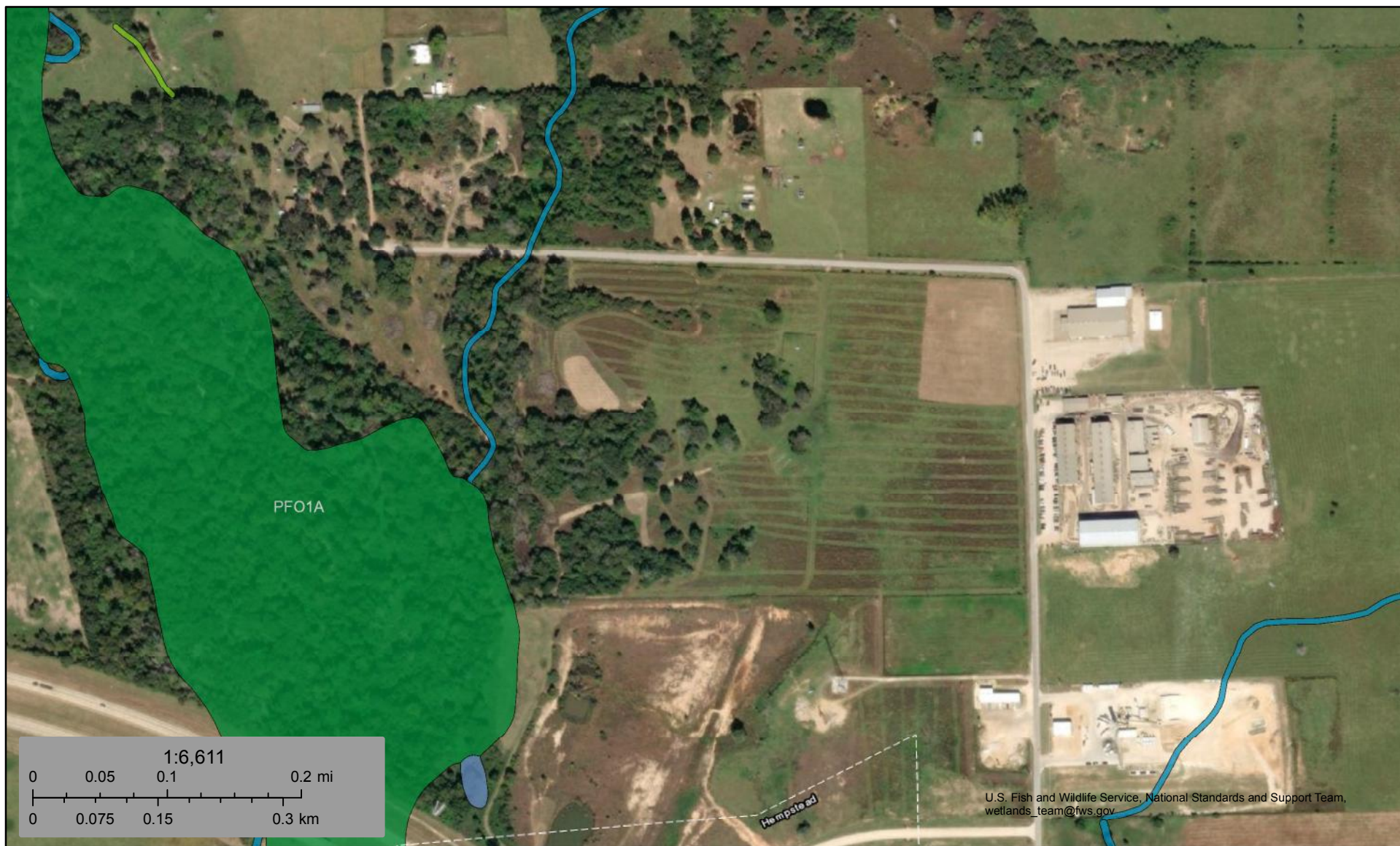
This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.



WETLANDS MAP



April 16, 2023

Wetlands

- | | | |
|--|---|--|
|  Estuarine and Marine Deepwater |  Freshwater Emergent Wetland |  Lake |
|  Estuarine and Marine Wetland |  Freshwater Forested/Shrub Wetland |  Other |
| |  Freshwater Pond |  Riverine |

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

COUNTY APPRAISAL DISTRICT RECORD

Waller CAD

Property Search Results > 257912 LEWIS JOHN JR
RECEIVER for Year 2023

Tax Year: 2023 - Values not available

Property

Account

Property ID:	257912	Legal Description:	S432500 CLEAR CREEK DEVELOPMENT LOT 1 ACRES 25.132
Geographic ID:	432500-000-001-000	Zoning:	
Type:	Real	Agent Code:	
Property Use Code:	AG-WDLF		
Property Use Description:	WILDLIFE USE		

Protest

Protest Status:
Informal Date:
Formal Date:

Location

Address:	MACK WASHINGTON HEMPSTEAD, TX 77445	Mapsco:	B13SUBS
Neighborhood:	CLEAR CREEK DEVELOPMENT	Map ID:	3771 N1
Neighborhood CD:	S432500		

Owner

Name:	LEWIS JOHN JR RECEIVER	Owner ID:	1030220
Mailing Address:	%SHOOK HARDY & BACON LLP 600 TRAVIS ST SUITE 3400 HOUSTON, TX 77002	% Ownership:	100.000000000000%

Exemptions:

Values

(+) Improvement Homesite Value:	+	N/A	
(+) Improvement Non-Homesite Value:	+	N/A	
(+) Land Homesite Value:	+	N/A	
(+) Land Non-Homesite Value:	+	N/A	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	N/A	N/A
(+) Timber Market Valuation:	+	N/A	N/A

(=) Market Value:	=	N/A	
(-) Ag or Timber Use Value Reduction:	-	N/A	

(=) Appraised Value:	=	N/A	
(-) HS Cap:	-	N/A	

(=) Assessed Value:	=	N/A	

Taxing Jurisdiction

Owner: LEWIS JOHN JR RECEIVER

% Ownership: 100.000000000000%

Total Value: N/A

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax		
CAD	WALLER CAD	N/A	N/A	N/A	N/A		
CHD	HEMPSTEAD CITY OF	N/A	N/A	N/A	N/A		
ESD	WALLER-HARRIS ESD 200	N/A	N/A	N/A	N/A		
GWA	WALLER COUNTY	N/A	N/A	N/A	N/A		
RFM	WALLER CO FM	N/A	N/A	N/A	N/A		
SHD	HEMPSTEAD ISD	N/A	N/A	N/A	N/A		
Total Tax Rate:		N/A					
Taxes w/Current Exemptions:					N/A		
Taxes w/o Exemptions:					N/A		

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	E	E	25.1320	1094749.92	0.00	0.00	N/A	N/A

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2023	N/A	N/A	N/A	N/A	N/A	N/A
2022	\$0	\$1,094,750	1,890	1,890	\$0	\$1,890
2021	\$0	\$1,094,750	1,890	1,890	\$0	\$1,890
2020	\$0	\$1,040,010	1,760	1,760	\$0	\$1,760
2019	\$0	\$1,007,170	1,760	1,760	\$0	\$1,760

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
1	9/29/2022	FSJ	FINAL SUMMARY JUDGEMENT	CBT GROUP LLC	LEWIS JOHN JR RECEIVER			CASE 4:22 CV 03359
2	3/29/2022	WDV	WARRANTY / VENDOR LIEN	STYERS ODIS III	CBT GROUP LLC			2203998

Tax Due

Property Tax Information as of 04/11/2023

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
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NOTE: Penalty & Interest accrues every month on the unpaid tax and is added to the balance. Attorney fees may also increase your tax liability if not paid by July 1. If you plan to submit payment on a future date, make sure you enter the date and RECALCULATE to obtain the correct total amount due.

Waller CAD

Property Search Results > 257912 CBT GROUP LLC for Year 2022
 2022

Property

Account

Property ID:	257912	Legal Description:	S432500 CLEAR CREEK DEVELOPMENT LOT 1 ACRES 25.132
Geographic ID:	432500-000-001-000	Zoning:	
Type:	Real	Agent Code:	
Property Use Code:			
Property Use Description:			

Protest

Protest Status:
 Informal Date:
 Formal Date:

Location

Address:	MACK WASHINGTON HEMPSTEAD, TX 77445	Mapsco:	B13SUBS
Neighborhood:	CLEAR CREEK DEVELOPMENT	Map ID:	3771 N1
Neighborhood CD:	S432500		

Owner

Name:	CBT GROUP LLC	Owner ID:	1026384
Mailing Address:	9200 WESTHEIMER RD APT 1606 HOUSTON, TX 77063-3545	% Ownership:	100.000000000000%
		Exemptions:	

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$1,094,750	\$1,890
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$1,094,750	
(-) Ag or Timber Use Value Reduction:	-	\$1,092,860	

(=) Appraised Value:	=	\$1,890	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$1,890	

Taxing Jurisdiction

Owner: CBT GROUP LLC
 % Ownership: 100.000000000000%
 Total Value: \$1,094,750

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax		
CAD	WALLER CAD	0.000000	\$1,890	\$1,890	\$0.00		
CHD	HEMPSTEAD CITY OF	0.552573	\$1,890	\$1,890	\$10.44		
ESD	WALLER-HARRIS ESD 200	0.097426	\$1,890	\$1,890	\$1.84		
GWA	WALLER COUNTY	0.522593	\$1,890	\$1,890	\$9.88		
RFM	WALLER CO FM	0.025852	\$1,890	\$1,890	\$0.49		
SHD	HEMPSTEAD ISD	1.136700	\$1,890	\$1,890	\$21.48		
Total Tax Rate:		2.335144					
Taxes w/Current Exemptions:					\$44.13		
Taxes w/o Exemptions:					\$44.13		

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	W6	WILDLIFE MGMT (PREV NATIVE PASTURE)	25.1320	1094749.92	0.00	0.00	\$1,094,750	\$1,890

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2023	N/A	N/A	N/A	N/A	N/A	N/A
2022	\$0	\$1,094,750	1,890	1,890	\$0	\$1,890
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Tax Due

Property Tax Information as of 04/15/2023

Amount Due if Paid on:  

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
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(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$0	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$1,094,750	\$1,890
(+) Timber Market Valuation:	+	\$0	\$0

(=) Market Value:	=	\$1,094,750	
(-) Ag or Timber Use Value Reduction:	-	\$1,092,860	

(=) Appraised Value:	=	\$1,890	
(-) HS Cap:	-	\$0	

(=) Assessed Value:	=	\$1,890	

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 % Ownership: 100.000000000000%
 Total Value: \$1,094,750

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ENGAGEMENT LETTER



Appraisal MC
320 Detering Ste B
Houston, TX 77007
713-623-0559

APPRAISAL REQUEST FORM

COMPANY: Individual – Commercial NR CC

State Registration Number: 2000252

File Information

File ID: 230310011
Loan Number: 23232323

Due Date: 4/3/2023

Appraiser Information

Loan Type: Commercial – Primary
Form: Commercial appraisal report
Service Fee: \$1500.00
Transaction Fee:

Appraiser: Lane, Michael

Total Appraiser Fee: \$1500.00

Client Information

Client: Shook, Hardy & Bacon L.L.P.
Address:

Borrower or Company Name: Shook, Hardy & Bacon

Subject Property

Address or Intersection: MACK WASHINGTON
HEMPSTEAD, TX 77445
County: Waller

Intended Use: Home Equity

Property Type: Commercial

Legal Description:

Property Description:

Map: [Map Link](#)

Property Contact Information

Contact Person: Kelsey Morris w/ Mark Dimas Team

Work Phone: 832-814-7623

Cell Phone:

Home Phone:

Property Contact Notes:

Kelsey Morris w/ Mark Dimas Team kelsey@markdimasteam.com

Effective Date of Valuation

	Retrospective	As Is	Prospective at Completion	Prospective at Stabilized Occupancy
Effective Date(s) of Appraisal:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Interest Leased Fee (all or part):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Interest Fee Simple (not leased):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Interest Leasehold (borrower is tenant):	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Condition (vacant land/improved):				
If Leased Fee approx % leased (excludes owner):				
If Leased Fee approx no of tenants (excludes owner):				
If Leased Fee approx remaining lease term(s) over 5 years:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If Leased Fee approx remaining lease term(s) under 5 years:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other information believed germane to the appraisal bid:

Additional Notes:

Date	From	Message
3/20/2023 11:03 AM	Bautista, Mayra	Good morning your conditions have been accepted. Please proceed and accept this order in your queue. Thank you This property has been seized by the government. There have been several cases of fraud associated with the property and an appraisal is needed in order to sell the properties The lot SHOULD be empty but it could be possible they contain structures, these structures are part of the fraudulence that is being investigated. We need the appraiser to physically inspect the property and confirm if anything is on the property.

Note: This appraisal order is not transferrable to another appraiser. If the appraiser named on this appraisal request is unable to complete this assignment please contact Appraisal MC at 713-623-0559. All appraisers are approved on an individual basis, if this assignment is completed by another appraiser Appraisal MC will not be liable for any appraisal related service fee.



Commercial Order Form
client

* If a client of Appraisal MC or lender makes contact with you directly, contact Appraisal MC immediately. Do NOT make contact with the client of Appraisal MC or lender directly unless otherwise specified in the order. Any contact outside of the Appraisal MC system may be cause for removal and forfeit of appraisal fee due to non-compliance with the appraiser agreement. All communication and reports must be sent through Appraisal MC only. Failure to comply with this request will result in this order being cancelled and payment for this order will be rescinded immediately.

Appraiser agrees not to directly or indirectly engage via communication or assignments with any of Appraisal MC's lender clients for a period of one year without written consent of Appraisal MC. Appraiser agrees to provide reasonable monetary damages for violation of this Agreement; and, that if monetary damages are calculable, monetary damages alone are inadequate as a remedy for such violation. Therefore, the parties agree that equitable remedies, including, without limitation, temporary restraining order and mandatory injunction enforcing specific performance, are and shall be proper remedies for violation of this Agreement. If suit is brought to enforce this Agreement, the winning party shall be entitled to receive, in addition to any actual damages, reasonable attorney(s) fees spent in the prosecution of such suit.

APPRAISAL MC RESERVES THE RIGHT TO DISCOUNT FEE OF PAST DUE REPORTS BY \$50 PER DAY IF NO NOTIFICATION IS RECEIVED. COMPLETED APPRAISALS MUST BE SUBMITTED BY 2 PM CST ON THE DUE DATE.

IF A RUSH/PRIORITY ASSIGNMENT IS NOT SUBMITTED ON OR BEFORE THE DUE DATE THE RUSH/PRIORITY ADDITIONAL FEE WILL BE FORFEITED.

ANY REVISIONS MUST BE SUBMITTED THE SAME BUSINESS DAY OTHERWISE THE ASSIGNMENT WILL BE CONSIDERED LATE.

Trip Fee Policy:

Trip fees for scheduled appointments are not to exceed \$150 unless otherwise approved. A photo of the subject property with address must be provided for verification

Trip fees may be forfeited for the following reasons:

- ***If the assignment is not submitted on or before the due date and the order is cancelled due to appraiser delays.***
- ***Cancelled orders not submitted on or before the due date***
- ***Assignments that have been withdrawn from***

Cancellation policy:

Pre-Inspect: 0%

Post-Inspect based on appt time in system: Fee not to exceed \$150 unless otherwise approved

Completed report: 100%

Cancellation fees may be forfeited for the following reasons:

- ***If the assignment is not submitted on or before the due date and the order is cancelled due to appraiser delays.***
- ***Cancelled orders not submitted on or before the due date***
- ***Assignments that have been withdrawn from***

TEXAS APPRAISERS: If you are an appraiser licensed or certified in Texas you must accept the TALCB invite prior to accepting any assignments from Appraisal MC. Do not accept any assignments or begin work on any assignments and contact Appraisal MC immediately. Appraisal MC will not be responsible for any work completed by an appraiser not active on the Appraisal MC TALCB panel.



APPRAISER CERTIFICATION OF TERMS AND STANDARDS OF ENGAGEMENT

The **undersigned**, an authorized representative of the below named appraiser, appraisal company, or appraisal management company (the "Appraiser") hereby acknowledges and certifies that the Appraiser has knowledge and experience in appraising this type of property in this market area and accepts this engagement to conduct an appraisal of the Subject Property in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) and in full compliance with the Dodd – Frank Act and all applicable state and federal laws and regulations. The Appraiser understands that the Client, a mortgage lender, has adopted a written Plan for Compliance with the Dodd – Frank Act, and that Client solely is authorized to engage and compensate the Appraiser for its appraisal services with respect to the Subject Property.

Upon completion of its services and rendering of its appraisal report on the Subject Property to Client, the Appraiser agrees to make a written certification in form acceptable to Client that the appraisal of the Subject Property was conducted in full compliance the Uniform Standards of Professional Appraisal Practice (USPAP), the Dodd – Frank Act, and all applicable state and federal laws and regulations, including the licensing or registration regulations of the state in which the Subject Property is located, and that no attempt was made by the Client or any third party to influence the valuation of the Subject Property through coercion, extortion, collusion, compensation, inducement, intimidation, bribery or in any other manner.

By accepting this assignment you hereby certify that you are properly licensed and/or certified to complete the property appraisal in this state and have geographic competency for the market. Geographic competency includes, but is not limited, to: knowledge of major employers in the area, knowledge of major recreational draws for the area, familiarity with the local school districts, awareness of all major access routes, knowledge of market area value trends and that you subscribe to relevant data sources including the multiple listing services of all markets. You agree to notify Appraisal MC immediately if you are asked to perform a valuation within an area in which you do not have sufficient knowledge to make an accurate valuation.

APPRAISER CERTIFICATION OF COMPLIANCE AND NON-COERCION

Regarding Appraisal of Subject Property located at:
MACK WASHINGTON, HEMPSTEAD, TX 77445

The undersigned, and authorized representative of the below named appraiser, appraisal company, or appraisal management company (the "Appraiser") conducting the appraisal of the Subject Property and preparing the Appraisal Report, hereby certifies that:

1. The Appraiser conducted the appraisal and prepared the Appraisal Report in full compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), the Dodd – Frank Act and all applicable state and federal laws and regulations.
2. The appraisal of the Subject Property was conducted, and the Appraisal Report was prepared, by one, or more, qualified and duly licensed or certified real estate appraisers in compliance with applicable state and federal law.
3. The Appraiser conducting the appraisal of the Subject Property has knowledge and experience in appraising this type of property in the market area within which the Subject Property is located.
4. The Appraiser was not provided any predetermined or desired valuation of the Subject Property by the Client or any third party, except, if applicable, the Appraiser was provided a photocopy of any

5. The Appraiser was not influenced by the Client or any third party in determining the valuation of the Subject Property and no attempt was made by the Client or any third party to influence the valuation of the Subject Property through coercion, extortion, collusion, compensation, inducement, intimidation, bribery or in any other manner.
6. The Appraiser has adopted and enforces written policies and procedures implementing the Dodd – Frank Act with respect to all its business activities. The Appraiser provides its officers, employees, and agents' adequate training on appraiser independence, including the principles set forth in the Dodd – Frank Act, and has mechanisms in place to report and discipline any of its officers, employees, or agents who violate its policies and procedures.
7. The Appraiser will include all requested revisions, reconsiderations of additional comparables and underwriting requests within 24 hours at no additional cost. If these items are not addressed and /or completed in a timely manner they will not be considered complete and Appraisal MC will not be financially responsible for the appraisal.
8. The Appraiser must be General Certified and meet all investor eligibility requirements in order to complete the appraisal.
9. Appraiser agrees to **separately upload or not include the invoice in the report** as part of the acceptance of the assignment.
10. Vendor shall be paid on the 30th of the month for the orders completed in the previous calendar month. (unless otherwise stated/specified by State appraisal management regulations) The appraiser may request to receive payment via ACH. Please contact accounting@appraisalmc.com to setup the ACH vendor payment. Otherwise, a check will be mailed to the address listed on the W9.

This Certification of Compliance and Non–Coercion is cumulative of any other or additional certifications that may be set forth in the Appraisal Report and does not revoke, amend or modify the terms or standards of engagement with respect to the Appraisal Report. **Any violations of AIR must be reported in writing immediately to support@appraisalmc.com**

* If a client or lender makes contact with you directly, contact Appraisal MC immediately. Do NOT make contact with the lender directly. Any contact outside of the Appraisal MC system may be cause for removal and forfeit of appraisal fee due to non–compliance with the appraiser agreement. All communication and reports must be sent through Appraisal MC only. Failure to comply with this request will result in this order being cancelled and payment for this order will be rescinded immediately.

Appraiser covenants and agrees that during the term of this engagement and for a period of one year after the expiration or earlier termination of the engagement, neither Appraiser nor any employee, affiliate, agent, or representative of Appraiser (each, a "Restricted Person") shall directly or indirectly, for itself or on behalf of another person or entity (i) induce, influence, or encourage, any client, customer or other similar third party of Appraisal MC in the state of the United States where the Appraiser provides services to Appraisal MC under this engagement (each, a "Customer") to alter, terminate, or breach its contractual or other business relationship with Appraisal MC, or (ii) solicit appraisal related business or services from, or engage in appraisal related business or services for, any Customer. Appraiser agrees that the duration, scope, and geographical area of the restrictions contained herein are reasonable. Upon a determination by a court of competent jurisdiction that any term or provision of this clause is invalid, illegal, or unenforceable, such court may modify this clause to substitute the maximum duration, scope, or geographical area legally permissible under such circumstances to the greatest extent possible to give effect to the restrictions originally contemplated by the parties hereto.

Appraiser acknowledges and agrees that: (i) the restrictive covenants and other terms and conditions herein are reasonable and reasonably necessary to protect the legitimate business interests of Appraisal MC; (ii) that each Restricted Person will be reasonably able to earn a living without violating the terms of this agreement; and (iii) that the Appraiser has the right to consult with counsel before signing this agreement. The Appraiser further acknowledges that: (i) the amount of the Appraisers compensation reflects, in part,

each Restricted Persons obligations and Appraisal MCs rights under this agreement; (ii) no Restricted Person has an expectation of any additional compensation, royalties, or other payment of any kind not otherwise referenced herein in connection herewith; and (iii) no Restricted Person will be subject to undue hardship by reason of the Restricted Persons full compliance with the terms and conditions of this engagement or Appraisal MCs enforcement of it.

In the event of a breach or threatened breach by a Restricted Person of any of the provisions herein, the Appraiser hereby consents and agrees that money damages would not afford an adequate remedy and that Appraisal MC shall be entitled to seek a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages, and without the necessity of posting any bond or other security. Any equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages, or other available relief.

APPRAISAL MC RESERVES THE RIGHT TO DISCOUNT FEE OF PAST DUE REPORTS BY \$100 PER DAY IF NO NOTIFICATION IS RECEIVED. COMPLETED APPRAISALS MUST BE SUBMITTED BY 2 PM CST ON THE DUE DATE.

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☒ BY CHECKING THE BOX, APPRAISER ACKNOWLEDGES THAT THEY HAVE READ AND UNDERSTAND THE FOREGOING PROVISIONS AND THOSE SUCH PROVISIONS ARE REASONABLE AND ENFORCEABLE. VENDOR ACCEPTS THE APPRAISER AGREEMENT & TERMS.

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Date: 3/20/2023

Time: 1:53 PM

Name: Michael Lane

michael@mblane.com